SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1963

No. 36

UNITED STATES, APPELLANT

vs.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, ET AL.

APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF KENTUCKY

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The First National Bank of Cincinnati, Cincinnati, Ohio		
The Central Trust Company, Cincinnati, Ohio		
The Provident Bank, Cincinnati, Ohio		
The Southern Ohio National Bank of Cincinnati, Cincinnati, Ohio		
The North Side Bank & Trust Co., Cincinnati, Ohio		
Bourbon Agricultural Bank & Trust Company, Paris, Ky.		
The National Bank and Trust Company of Paris, Paris, Ky.		
Peoples Deposit Bank & Trust Company, Paris, Ky.		
The Clark County National Bank of Winchester, Winchester, Ky.		

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84. Excerpts from "Financing Small Business," Report by the Federal Reserve System to the Committees on Banking and Currency and the Select Committee on Small Business, 85th Cong., 2d Sess. (April 11, 1958)	1432	1123
85. Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington and First Security National Bank and Trust Company of Lexington as Guardian, Committee, and Curator for the years 1940–1961, inclusive	1435	1126
86. Distribution of size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington, and First Security National Bank and Trust Company of Lexington as Executor, Administrator and Administrator W.W.A. for the years 1940–1961, inclusive	1437	1128
87. Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington, and First Security National Bank and Trust Company of Lexington as trustee under will for years 1940–1961, inclusive	1439	1130

Record from the United States District Court, etc.—Con.	Original	Print
Defendant exhibits—Continued		
88. Study made by Office of the Comptroller of the Currency entitled "Comparison of Total Assets of Commercial Banks in Central Reserve and Reserve Cities with all Commercial Banks in the United States and Possessions June 29, 1946 and June 30, 1956"	1441	1132
89. Study made by Office of the Comptroller of the Currency as banking concentration in cities of the United States of over 50,000 population	1498	1189
90. Deposits of Chattanooga, Tennessee, banks, local deposits (excluding correspondent banks)	1515	facing 1206
91. Graph showing the Perbentage of Total Deposits Held	1516	1207
92. Record of qualifications of fiduciaries in Jefferson County Court for the Calendar Years 1945–1960 inclusive	1517	1208
93. Advance Extract from Annual Report to the Congress of The Comptroller of the Currency with certificate thereto	1533	1224
94. Listing by year, 1940 through 1961, inclusive, of individuals qualifying as Executor, Administrator with the will annexed, and Administrator where Fayette County Court required no bond	1537	1228
95. Stipulation as to the holdings of the four largest banks in Louisville, Kentucky, and the three largest banks in Cincinnati, Ohio, with a list of the banks	1538	1229
96. Selected Statistics for Lexington & Fayette County, dated February 20, 1962	1544	1235
97. Listing of Estates Over $5,000, Lexington, Fayette Co., Kentucky, for the years 1939–42, etc.	1545	1236
Stipulation of counsel to correct transcript (omitted in printing)	1551	1242
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[908] was your opinion from your past experience as to whether or not you could effectively compete with those banks?

A. Well, I naturally thought I could or I wouldn't have gone.

Q. Has that expectation been borne out to your satisfaction?

A. To my satisfaction and to, I might add, the satisfaction of the Board of Directors, which is even more important.

Q. Aside from the competition that you have encountered from the other two commercial banks in Birmingham, from what sources has your competition come in the trust field?

A. Well, in Birmingham, we have a large number of individual appointments, both attorney and non-attorney appointments, as personal representatives. For instance, we receive from the Probate Court in Jefferson County a daily statement which reflects all of the appointments either as executor or administrator for that particular day through Probate Court. And it is very unusual to see a bank mentioned on that report.

Q. Who do you see mentioned mostly on that report?

A. I would say predominantly—I don't know whether I could say predominantly attorneys. You see a large number of attorneys appointed as personal representatives. You see [909] a large number of non-attorneys.

Q. Individuals?

A. Individuals.

Q. Have you found the participation of individuals in this field to be such that you could not effectively compete with them as well as the two other banks?

A. I think we are competitive with the individuals. I don't think we receive anywhere near as large a portion of the total Probate business in our county as individuals do, as reflected by this report.

Cross-examination by Mr. MITCHELL

Q. Where are you from, Mr. Hurley? Where were you born and brought up?

A. Gainesville, Georgia.

Q. You mentioned you worked for the First National Bank of Montgomery in the trust department while you were going to college. Would you tell us where that was, what college?

A. Huntington College in Montgomery, Alabama.

Q. Does the Federal Reserve District which you covered when you worked for the Comptroller of the Currency include Kentucky?

A. No, it does not.

[910] Q. Would you tell us what states it does include, please?

A. It includes Alabama, Florida, Georgia, Mississippi, Tennessee, and Louisiana. Those latter three states, it doesn't cover all of the state, just parts of each of those three states.

Q. Have you ever been employed in any capacity in Lexington, Kentucky?

A. No, I have not.

Q. Have you ever been in Lexington, Kentucky?

A. No.

Q. Do you know how many commercial banks there are in Lexington, Kentucky?

A. I do know from having been told by counsel for the plaintiff.

Mr. DAVIS. The defendant.

The WITNESS. The defendant. I'm sorry. Strike that from the record.

By Mr. MITCHELL:

Q. Prior to your contact with the defendants in this case, did you have anything whatsoever to do with commercial banking in Lexington, Kentucky?

A. I did not.

Q. Would you say that your banking knowledge does not [911] include the specific banking situation in Lexington or Fayette County, Kentucky?

A. I would say it does not include it specifically, although——

Q. That is fine.

Mr. DAVIS. We can skip the colloquy between you and me.

By Mr. MITCHELL:

Q. You stated when you took over your present position in 1958 the Exchange Security Bank had some trust business but didn't have a trust department. Would you explain that, please?

A. Yes. They had approximately somewhere less than a dozen paying agency accounts which is an account for a municipality where a bank pay the coupons and bonds of a bond issue on presentation to the bank. These coupons and bonds were paid through a regular banking account. No statement was submitted to the municipality. In fact, it took me six months to locate them all in the bank once I got there. They had no supervision.

Q. I see. That was the extent of the trust activities?

[912] A. That and the bank's own profit-sharing trust which at that time probably had a hundred thousand in assets.

Q. It did not hold itself out to the public, though, as offering trust services?

A. It did not prior to that time?

Q. I believe you stated that there were a total of five commercial banks in Birmingham.

A. That is correct.

Q. And I think you gave us the name of the two others besides your own. Would you tell us what the remaining two are and possibly some idea of what their total assets are?

A. One of the others is Bank for Savings and Trust. Its total assets at year-end were in the vicinity of 45 million. The other bank is Steiner Bros. Bank, and their assets are in the vicinity of 3 million dollars.

Q. You stated that when you went to Exchange Security in 1958 two of the banks had trust departments and the third had a little trust business. Was that the Exchange Security that you were referring to or one of the other two?

A. It was Bank for Savings and Trust that I referred to.

Q. So, actually at that time there were four banks [913] performing trust services?

A. The Bank for Savings trust department at that time had approximately the same status as Exchange Security trust department at that time. They had accepted only the trusts that were brought to them by some directors of the bank and had done nothing with respect to establishing a trust department.

Q. I see. Would you identify the documents from which you have been reading some of this information?

A. The document from which I have been reading the totals is a letter to Mr. Edwin V. Mack, vice president and trust officer, First Security National Bank and Trust Company, Lexington, Kentucky, from Willard L. Hurley, vice president and trust officer, Exchange Security Bank.

Q. Could we have a copy of that and mark it as Exhibit Number 1.

Is that in response to another letter?

A. It is in response to another letter, yes.

Q. And what letter is that?

A. That would be a letter from Edwin V. Mack to Willard L. Hurley.

Q. Do you have a copy of that here?

A. I have one at the hotel. I don't have that with me.

Q. I wonder if you would get a copy of that. [914] We would like to have that entered into the record as Exhibit Number 2.

By Mr. MITCHELL:

Q. There was only one figure I missed on direct examination. You listed cash of a little over 184,000 at the end of 1958 and investments. Would you give me that figure for investments?

A. 390,312.

Q. That was business which you accumulated between your arrival there in September 1958 and December of 1958?

A. Yes, it is, with the exception of the Bank's profit-sharing trust which would be in both of these totals.

Q. What portion would it represent?

A. Roughly a third probably.

Q. Would what you have classified as investments be the total assets of the trust department?

A. It would be everything other than cash of the trust department.

Q. Then the two together would be the total assets?

A. Would be the total assets, that is correct.

Q. You gave us some information with respect to the number of employees of the trust department of Exchange Security since 1958. Was that from any official record or was that just from your memory?

[915] A. That was just from my memory.

Q. Have all of these employees been full-time employees of the trust department for the entire time that you listed them?

A. Yes, they have.

Q. You stated that you have secured some trust business from the two larger banks in Birmingham, and I believe you indicated that they were customers of some other portion of your bank, which you then got their trust business to the bank, is that correct?

A. That is correct in some of the cases where we have secured business from the other banks. It is not correct in others. I can give you a for instance if you want one.

Q. No. That is all right. Just let me ask you this: Which represents the major portion of that business which you have secured from other banks?

A. I am not sure I understand that question.

Q. Well, you secured business from other banks. Some of these people were already customers of your bank in another category and some were not; is that correct?

A. That is correct.

Q. Do you have any idea were most of them already customers of your bank in another category or——

[916] A. I would say in excess of 50 percent were customers in another category.

Q. What is the service area of your bank, Mr. Hurley?

A. It covers Jefferson County which has a metropolitan population of approximately 650,000.

Q. What is the population of Birmingham?

A. Approximately 350,000.

Q. What is the source of your trust business?

A. The source of trust business has been from several area. I would say predominantly, as I have already said, from our own bank's customers, through people to whom we extend credit, some of whom are customers, some are not. I have compiled prospect lists from varied and sundry sources, civic club rosters, country club rosters. I've scoured the market pretty clean. I've gotten everybody in the area that has money I think.

Q. Do you have and idea what the respective sizes of Birmingham and Jefferson County were say ten years ago, 1950?

A. I do not.

Q. Has Birmingham experienced any substantial growth during that period?

A. It has—well, it's experienced growth, but not nearly at the same pace as other cities in the area. From [917] the last census, that was shown.

Q. Getting back to the source of your trust business, do you generally find it is within the service area as you have already described it, Jefferson County?

A. I have made some calls in other parts of the state which do not have trust departments. I have secured to my knowledge three wills from the northern part of Alabama, none of which are yet active.

Q. But what about the vast majority of your business, does it come——

A. The majority of it is within the Jefferson County area.

Q. Which is your normal service area?

A. Yes.

Q. You stated that the Probate Court sends out a daily statement which usually lists individuals, most of which you suspect are attorneys performing some personal trust services. What services does that probate statement cover?

A. Executor and administrator.

Q. Does your bank perform those services?

A. Yes, we do.

Q. Does your bank perform other types of trust services? [918] A. Yes, we do.

Q. Would you tell us what they are, please?

A. We act as testamentary trustee, trustee of living trust, trustee of pension and profitsharing trusts, personal agency, custodian, escrow, corporate trustee, corporate paying agent. I think that about covers.

Q. The statement from the Probate Court does not cover any of these other services?

A. It does not.

Q. Do these services as opposed to the simply executor and administrator constitute a majority of your bank's trust business?

A. At the present time it does.

Q. So competition which your have described from individuals as set forth in a statement from the Probate Court covers not the majority of your business?

A. That is correct.

[919] Q. You feel that an individual named, say, as an executor in a will is in competition with your bank. Is that correct?

A. Very definitely.

Q. Do you feel that if the same individual borrows $10 from his brother he is in competition with the loan department of your bank?

A. I think so.

Q. You think any type of transaction like that is competition for your bank?

A. I think any credit union or savings and loan which takes business from the banks is in competition with the bank.

Q. Yes. I am talking just about individuals now.

A. Well, I very definitely think an individual that has a loan company is.

Q. I am talking about an individual who doesn't have a loan company who just lends a friend, let's say, $10.

A. Insofar as that friend might have come to my bank for that loan, then the individual is in competition.

Q. You stated that you had 206 wills which represented $25 million in potential business. Would you explain what you meant by that, please?

A. Yes, I will. When we are involved in estate planning [920] prior to the preparation of a will by an attorney, we try in cases where we can to maintain a balance sheet which is filed with that will which gives us some rough indication of the potential decedent's worth.

It would, of course, involve life insurance at face value, maturity value. It's a fair approximation of what his gross estate would be and, as I indicated previously, I have no such record covering all of these will, although I am—this is a minimum figure in my mind, $25 million which is involved in these 206 wills.

Q. But as you indicated it is merely a guess based upon the information that you have before you?

A. Yes.

Q. Do you feel there is a difference in the type of service offered by a corporate fiduciary such as your bank and an individual offering some similar services?

A. That would depend in my mind on the individual who rendered those services. For instance, we have a law firm in Birmingham who I don't know whether they solicit such appointments. I do know they accept a large number of them.

They have approximately twenty members of that firm and the bulk of their work is done in the estate and tax field. I shouldn't say the bulk. I should say they are active in the estate and tax field.

[921] Now, I feel that they are handling their trusts reasonably as competently as we are. In some other cases I could not say that's true.

Q. Do they handle any corporate trust business?

A. They do not handle any corporate trust business to my knowledge.

Q. Does anybody in Birmingham other than the commercial banks perform corporate trust services?

A. Yes. The municipality acts as their own paying agency on all general obligations in the State of Alabama.

Q. Do they act only for themselves or for any other corporate member of the public?

A. They act only for themselves through the—I'm not sure of the official that handles it in the municipality, but on general obligation issues, they are quite often paid at the courthouse in the county, the county seat.

Q. As far as offering corporate trust services to the general public, does anybody other than commercial banks in Birmingham do so?

A. Not to my knowledge, no, sir.

Q. So that the extent to which there are other institutions or individuals performing trust services is limited to the personal trust services which you have described previously, is that correct?

[922] A. Yes.

Q. With respect to the differences between corporate fiduciaries and individuals generally, I would like to ask you apart from this one law firm which you have mentioned to us as

probably performing comparable service whether or not you don't think that there are substantial differences in the fiduciary itself.

A. I do think there are substantial differences.

Q. Would you tell us what some of them are, please?

A. Well, our sole line of business is in this related field, so that it gives our staff relatively an opportunity to become more proficient than someone who had several lines of endeavor.

Q. Specialization?

A. Yes.

Q. What about continuous existence of the commercial bank's trust department?

A. Well, I think very definitely this would be a factor in our favor unless you are talking of a group of individuals who act as fiduciaries.

Q. And to your knowledge there's only this one law firm and even that isn't a corporation, is it?

A. No, it's not a corporation, but I didn't mean to limit that activity to one law firm in Birmingham. There are [923] others who secure such appointments.

Q. But they don't have continuous existence as does a corporation?

A. Not in the strict technical sense of continuous existence, no.

Q. Do you feel that a corporate fiduciary such as a commercial bank is in most instances more financially responsible than an individual?

A. Yes.

Q. Do you feel that another difference between a corporate fiduciary and an individual is that a bank's trust department is subjected to supervision and examination by either state or federal regulatory authorities, whereas an individual is not?

A. Yes.

Q. Are there any other such distinctions or factors which you can think of which distinguish a corporate fiduciary such as your bank's trust department from an individual?

A. None that come to mind at the present.

Q. Would group judgment be one?

A. Group judgment would be one.

Q. Where you have more than one trust officer?

A. And where you have a trust committee who passes on more serious decisions of the trust department.

[924] Q. Does your bank have one?

A. Trust committee?

Q. Yes.

A. Yes, they do.

Q. In your experience do most commercial banks have them with trust departments?

A. Yes, they do.

Q. Can you tell us who is on the trust committee of your bank?

A. Do you want their names or——

Q. No, their titles.

A. The president of the bank, the Chairman of the Board, two independent directors who are not employed by the bank and myself.

Q. Do you find that this type of situation is so with the trust departments of most commercial banks, that is, officials employed in other capacities than the trust department are on the trust committee?

A. Yes, in the majority of cases.

Q. Does your trust department do any advertising?

A. Yes, we do.

Q. Can you tell us what form that advertising takes?

A. Primarily direct mail solicitation to a select list.

Q. Does your trust department either in conjunction with [925] the bank generally or separately advertise in newspapers?

A. Very rarely in the newspaper.

Q. The trust department?

A. The trust department.

Q. Does the bank advertise in the newspaper?

A. The bank does advertise in the newspaper constantly.

Q. Could you describe just generally a typical direct solicitation which you have just stated constitutes the majority of your trust department's advertising?

A. They would likely be in a series of monthly letters and they would involve educating the prospect to the need of trust

services and motivating him to act with respect to his own estate in that area.

Q. We just discussed the differences between a corporate fiduciary and an individual fiduciary. Do you ever make these distinctions when attempting to solicit trust business?

A. Yes, I do.

Q. Do you usually or——

A. I don't know that you can stereotype an approach to a prospect by saying that you go into these advantages and play it by ear.

Q. Well, in other words, of course you wouldn't do so where you didn't feel there was a chance of the individual getting the business that you are after, but if that were the [926] case you do so?

A. You do use them and I go further and use the chance of family dissension in the case of an individual relative acting, all depending on what I know about the prospect and how the interview has gone to that point.

[927] Q. In other words, in addition to those factors you described previously, you stress the impartiality of the bank?

A. We do stress impartiality at times.

Q. You indicated with some figures which were contained in the letter the growth of the trust department at your bank. You have also given the approximate assets of the trust departments of the other two large banks as of 1957. Do you know whether or not their trust departments have experienced any growth in the same period?

A. I'm sure they have. I have no direct means of knowledge, but both of them have increased their staff, for instance.

Q. Which in your case is an index of increased trust department activity, so probably it is in that case, too?

A. Yes.

Q. You don't have any idea, though, as to the extent of the growth of the trust departments of the other two banks?

A. No, I do not.

Q. You have no access to information of that type?

A. None whatever. It's just not discussed in banker meetings and that sort of thing.

Q. However, the indications that you have are that they have both grown in this period?

A. That would be my indication solely from seeing the increase in their staff.

[928] Q. Do you have any idea how large the increase in their staff has been over this three-year period?

A. Not with any certainty, although both of the trust departments have added officer personnel in that three and a half years. I wouldn't necessarily know when they added non-officer personnel. It wouldn't show on their statement.

Q. Well, let's take, for instance, the Birmingham Trust. How many trust officers do they have now?

A. I would guess in the vicinity of seven.

Q. Do you know how many they had in 1958?

A. This also will be a guess. I'd say they've either added one or two in that time.

Q. How about the First National Bank of Birmingham. Do you know how many trust officers they have now?

A. They have approximately eighteen.

Q. Do you know how many they had in 1958?

A. I would guess there that they had fifteen.

Q. Would you say based upon this limited information that you have that the trust departments of those two banks have increased in absolute size at least in amount equal to your bank?

Mr. DAVIS. Are you asking the question in terms of dollars?

Mr. MITCHELL. Yes.

[929] Mr. DAVIS. I am trying to get a clarification of that word absolute size. That lost me a little bit.

By Mr. MITCHELL:

Q. Well, let me explain. Your bank has grown from practically nothing to have assets of approximately $11 million in 1961. Would you say that each of those banks, the trust department of each of those banks has increased at least $11 million in total assets, possibly more?

A. I would guess that they had each increased $11 million, yes.

Q. You would guess at least $11 million?

A. I would guess that each of them had increased $11 million.

Q. No more than $11 million? You are guessing that their increase was $11 million?

A. Well, of course it's a guess and I could guess $111 million, but——

Q. Well, what I would like is your best guess based upon the information that you have. You don't think it is more than $11 million?

The COURT. How much more of this testimony do we have to endure? Do you think it is important that the rest of it be read?

[930] Mr. ODEAR. We would be willing to consider the rest of it read.

The COURT. You might, but they might not.

Mr. MITCHELL. There are only a few more pages. I would just like to look through briefly and see what it is.

Mr. WILLIAMS. Your Honor, we will consider it read. If you want to refer to it as being in evidence and we want to refer to anything else, we can do it later.

The COURT. I will leave it to you, because it is your testimony.

Mr. WILLIAMS. All right, sir.

(The rest of the deposition of Mr. Hurley is as follows:)

A. I don't think it's—I have no—I just have no information to base any such guess as that on really in dollar volume of trust business. I have no indication of—just no way to go about guessing frankly.

By Mr. MITCHELL:

Q. Could you describe for us, Mr. Hurley, how your bank's trust department values the assets which it holds?

A. That would be the trust department?

Q. Yes.

A. The valuation varies from type of account to type of account. On an estate normally our assets would be set up [931] at date of death value. That's the date of death of the decedent. In testamentary trust, that same value would follow through since it's a tax basis value.

Q. That is the market value of everything in the trust?

A: Market value at the date of the decendent's death, and in a living type trust, it would be normally set up at the donor's

cost value which is the significant tax basis figure. In an agency or custodian account, it would depend entirely on what our duties were as to whether it was set up at the principal's tax cost or at $1 for each share of stock and par value on the bonds.

Q. Do you know how the Birmingham Trust Company or the First National Bank of Birmingham values the assets of their trust department?

A. Substantially the same way.

Q. So that the figures to your knowledge would be comparable?

A. They would be roughly comparable.

Q. Could you describe for us in detail, please, the functions performed by your trust committee?

A. The trust committee approves the acceptance and closing of trust accounts. It approves the purchase and sale of assets. It reviews periodically all of the assets held in each trust account.

[932] Q. Excuse me. Could you tell us what you mean by periodically?

A. On a small account where very little activity is required, it's done annually. On a larger account it would be done semi-annually. And they also pass on any other miscellaneous decision of importance that might arise in the operation of the trust department.

Q. But they pass on the acceptance and the closing of every trust account?

A. Yes, they do.

Q. Do their functions include decisions on investments?

A. Their function does include the final decision, although we obtain investment counsel outside of the bank through Studley Schupert Trust Investment Counsel in Philadelphia who review our investment portfolios, and their appraisal and recommendation is submitted to our trust committee for the trust committee's final approval or disapproval.

Q. In the statements of the Probate Court which you mentioned previously, you stated that the appearance of a bank on there would be an unusual case. Is it your experience that generally when the banks do appear, it is with respect to larger estates?

A. You asked my opinion in that respect?

Q. Based upon your experience in seeing these reports [933] come before you.

A. Well, the report has no indication of the size of the estate whatsoever. If I were guessing, I might guess that, but it has no indication of the value, this report.

Q. What is your opinion based upon your experience, then, apart from the Probate Court records?

A. My opinion would be that it was generally a larger size estate.

Q. Could you tell us, Mr. Hurley, what the largest single trust account you have is? I am not asking for any names, size.

A. Our largest single account is in our books for approximately 1,700,000.

Q. How many accounts do you have over one million, say?

A. Three.

Q. Do you have any knowledge or opinion about the number of accounts in excess of one million dollars that are held by the Birmingham Trust Company or the First National Bank of Birmingham?

A. No opinion that in my opinion would be meaningful. I just don't remember from having examined them. I do know they have some such accounts, but how many, it would just be a guess completely.

Q. Do you know of any single accounts which are [934] substantially in excess of, let's say, $1,700,000 which is your largest account?

A. This would be in the First National Bank?

Q. Or Birmingham Trust.

A. Or Birmingham Trust? Only one comes to mind and it would be substantially in excess of a million.

Q. Can you give us the approximate size of that account?

A. I can guess. I would say in the vicinity of 10 million.

Redirect examination by Mr. HARVILLE:

Q. As I understood you, you said in response to a question of Mr. Mitchell that individuals did not act as testimentary trustees in Alabama, is that right? Do they act?

A. If I said they did not act, then I made a mistake. They are certainly free to act and insofar as I know——

Q. Are they also free to act as inter vivos trustees?

A. Yes.

Q. But if individuals should act as inter vivos trustees, then that wouldn't appear in this paper that you are talking about anyhow, would it?

A. It would not.

Q. You have testified that you in your advertising [935] have stressed the advantages of the corporate trustee over the individuals. Tell me what that indicates to you in your own mind as to whether or not you are in direct competition with the individuals for the securing of the trust and estates business.

A. Well, I think there is no doubt that we are in direct competition with individuals.

Q. And do you consider them one of your major competition?

A. They get more of the business than anybody else in that area, the estate business.

Q. Then with all of the advertising that you do and with all of the advantages that you speak of and your opinion that exists of the corporate trustee over the individual trustee, have you succeeded yet in selling that to the public in terms of actual acquisition of business as opposed to that which individuals get? You say you are convinced of it, but does it indicate to you that the public has been educated to that extent?

A. Well, the public at large, no; and by no means a majority of the public, although you do feel like you have succeeded in educating some of the public.

Q. You said that you had three accounts of over one million. Are those all indicated in those figures or have some [936] of those estates been acquired by you since your year end figures for 1961?

A. All three of those are in these figures. However, we do have two estates, one of which will be in excess of one million, only part of which is indicated in this statement and is not included in the three that I made reference to.

Q. Are all of your fiduciaries in Alabama, whether corporate or individual bonded, required to be bonded by law?

A. Individuals are required to be bonded. Under the laws of the State of Alabama, if a bank elects to deposit securities with the State Treasurer, then the probate judge may waive the bonding requirement even though the will doesn't do so.

Mr. HARVILLE. That is all.

Recross-examination by Mr. MITCHELL:

Q. You stated with respect to a question which Mr. Harville asked you that you thought you had succeeded in educating a portion of the public with respect to the advantages of a corporate fiduciary. Do you have in mind any particular portion?

A. Within my personal experience, for two years I mailed a letter monthly to a list of 500 prospects. I feel in my own mind that those 500 if they read those letters know the advan-
[937] tages.

Q. Do you feel that generally a person with a larger estate is, let's say, better informed as to the advantages of a corporate fiduciary than one with a smaller one?

A. I would say generally, although not necessarily.

Q. But generally yes?

A. Generally yes.

Q. Can you tell us the total number of trust accounts which you have?

A. 139.

Q. Can you tell us the approximate size of the majority of those? You have already indicated that you have three over a million. Is there any approximate size range that the largest number is within?

A. No. The only way I know that I could get an approximate size would be to average the 139 accounts. We have them running all the way from $10,000 to about $1,700,000, I believe.

Mr. MITCHELL. That is all.

The COURT. The Court will be in recess until ten o'clock tomorrow morning.

(Whereupon, at 4:05 p.m., the Court recessed, to reconvene Tuesday morning, 10:00 o'clock a.m., February 27, 1962.)

* * * * *

712-306—63——46

[940] PROCEEDINGS

The COURT. Call your witness.

COLLOQUY BETWEEN COURT AND COUNSEL

Mr. ODEAR. If your Honor please, all the other witnesses that we had arranged for we feel would be merely cumulative of evidence we have already introduced. So, we plan to introduce no other witnesses. The only other evidence we wish to offer is that we would like to read into the record—and after doing so, we will close—from the Congressional Record the discussion in the Senate immediately prior to the voting on the Bank Merger Act of 1960.

The COURT. You may read it if you want to.

Mr. ODEAR. Would you gentlemen like to look at it first?

Mr. WILLIAMS. Your Honor, it seems to me that this is a matter that the Court could take judicial notice of. They were discussions in Congress, and I don't see any useful point in hearing it read into the record.

The COURT. I would like to hear it read. I don't want to have to search through the Congressional Record to find it.

Mr. WILLIAMS. I take it, your Honor, we will have an opportunity in our brief to reply to that?

The COURT. Of course.

Give what you are reading from, the date, and [941] everything.

Mr. ODEAR. Yes, sir.

This is the Congressional Record, Proceedings and Debates of the 86th Congress, Second Session, Volume 106, Number 83, published Washington, Friday, May 6, 1960. This is the discussion on Amendment of Federal Deposit Insurance Act to Provide Safeguards Against Mergers and Consolidations of Banks.

I am now reading from page 9911 of that publication.

> Mr. BENNETT. We are now operating under a strict time limitation. As the Senator from Arkansas knows, the Chairman of the Committee, the Senator from Virginia, Mr. Robertson, and I have prepared a set of questions and answers in order to set forth and make

clear our understanding of the purpose and effect of the bill.

Mr. FULBRIGHT. Yes, that is correct. The Senator from Virginia, Mr. Robertson, prepared answers to several questions which the Senator from Utah, Mr. Bennett, had posed. These answers represent the views of the Senator from Virginia who is Chairman of the Committee on Banking and Currency and the Subcommittee on Banking.

Other members of the Committee have considered these questions and answers, and they represent, I am [942] saitsfied, the Committee's understanding of the bill and the correct understanding of the bill.

Mr. BENNETT. Mr. President, in order to make clear to the Banking agencies which will administer this Act, the understanding and intention of the Senate in accepting the amendments of the House and passing the amended bill, I ask unanimous consent that this set of questions and answers be printed in the record following the statement by the Senator from Arkansas as though I had asked the questions and the Senator from Arkansas had made the answers.

PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

EXHIBIT 1, BANK MERGER BILL

Question. As I understand it, this bill is not directed against nor intended to prescribe or limit size as such without regard to the banking and competitive tests set forth in the bill, and hence a merger of two large banks should be approved if found to be in the public interest under the tests set down in the bill. Suppose, for example, a situation where such a merger would increase the extent, quality and efficiency of services rendered to the public enhance local, regional, or national competition and [943] meet all the other specific tests in the bill, would not such a merger be considered

to be in the public interest under this bill regardless of size?

Answer. Yes. The bill is not directed against size as such. Nor does it impose any limit on the size of banks. Size may be, of course, an element to be considered as part of the banking test and as part of the competitive test under the bill, but it is not controlling. If a merger of two large banks qualifies under the tests set forth in the bill, it should be approved, and it will be approved no matter how big the two banks may be.

Question. The competitive factor in the bill I take to refer in appropriate cases not only to the local but also to state, regional and national competitive effect. Is this correct?

Answer. Yes. The federal banking agency reviewing a proposed merger should consider the field of competition the merging banks are engaged in and the new bank will engage in. Some banks are engaged only in local competition. Other banks are primarily engaged in regional competition. Other banks engage in national or international competition. The field of competition which is actually involved is the field which should be given consideration in reviewing the merger. [944] This is true also of the Justice Department reports on the competitive factors involved in the merger. These too should be considered with the kinds of competition the two banks are now engaged in and the kind of competition the merged bank will be engaged in.

Question. In considering a proposed merger, should the needs of the community and the area and the country as a whole for increased financial services resulting from an expanding economy be considered?

Answer. Yes. The Federal banking agency reviewing the merger under S–1062 should certainly give due regard to the adequate accommodation of the governing capital requirements of an expanding economy in the community, in the area, and in the country generally. This would not, of course, be the controlling factor, any more than any other single factor, and, of course, other

means of providing increased financial services would be borne in mind. But there is no question that the Federal banking agency should give due regard to the adequate accommodation of the governing capital requirements of an expanding economy.

Question. In considering a proposed merger, would the responsible federal banking agency be able to take into consideration the competition which the merging banks face and the merging bank would face from other kinds [945] of financial institutions, savings and loan associations, credit unions, insurance companies, finance companies and the like?

Answer. Yes, indeed. All competition which the merging banks now face and which the merged bank would face must be taken into consideration by the banking agency. This includes both competition from other banks and trust companies and competition from other financial institutions which may provide the same or similar services. It includes competition for the public funds in the form of deposits, savings accounts, and the like, and it includes competition in supplying the public need for funds in the way of personal loans, consumer credit, mortgages, business loans, and so on.

Question. Mergers already have given some banks distinct competitive advantages because of increased lending limits, increased quantity and quality of services, increased availability of highly specialized and technical personal, and increased overall resources. Other banks have not grown in size through mergers because of lack of feasible merger opportunities, state laws, management policies, and other reasons.

If the effect of the adoption of this bill is to [946] discriminate against these later banks and thereby to affect adversely their future opportunity to acquire or regain reasonable competitive equality through merger, then we shall be protecting and making permanent a competitive advantage or a kind of monopolistic position. It is my understanding that such a discriminatory result is not intended and that the competitive test in

this bill should not be so construed. Is that correct?

Answer. S–1062 is not intended to have any discriminatory results. It is not intended to discriminate against banks which have been unable to merge in the past because of state laws or any other reasons. The fact that a bank has been unable to merge in the past and, therefore, is at a competitive disadvantage with other banks is something which can and should be taken into consideration by the banking agency reviewing the merger application. The bill is not intended to prevent banks which have not been able to merge from acquiring or regaining reasonable competitive equality through merger. Of course, this does not mean that merely because a bank was unable to grow by merger before the enactment of S–1062 it would thereby have a right to engage in a merger which otherwise would be ruled out by the standards of S–1062. The standards set forth in S–1062 are the controlling test. The [947] competitive disadvantage which a bank is suffering from because it could not previously merge is to be considered as just one of the factors entering into these tests.

That is the portion which we wished to read into the record, your Honor.

That is the case for the Defendant, your Honor.

[948] Mr. WILLIAMS. Your Honor, we have a small amount of rebuttal evidence we would like to present at this time.

The first thing I would like to do is to read from the Senate Report a very simple paragraph that is marked as Government Exhibit 131. On page 3 of that report it states:

> S. 1062 would not affect in any way the applicability of the Sherman Act to bank mergers or consolidations.

We will not take the time, your Honor, to read other extracts from that report. But we will refer to them in our brief.

The COURT. Give me the reference to that.

Mr. WILLIAMS. Page 3, your Honor, in Government Exhibit 131, which is the Senate Report which was introduced into evidence.

I would like now to offer into evidence, your Honor, a few of the Defendant's answers to the Government's interrogatories. I think it might be helpful if I read the opening paragraph of the interrogatories, since some of the answers refer back to it.

The COURT. My understanding is that these exhibits have, as a whole, been put into evidence. But you are now merely wishing to emphasize certain features of that which is already in evidence. Isn't that the understanding?

Mr. WILLIAMS. Your Honor, it is my understanding that [949] we can offer some of these answers in evidence; but I merely want at this time to specify those that we are relying on and to read into evidence two short answers, if I may.

The COURT. That is all right. But I wanted to be clear that the evidence embraces what you have offered by stipulation. Each of you, of course, may emphasize or call special attention to certain particular parts of it that you want to emphasize at this time.

Is that the agreement?

Mr. WILLIAMS. Your Honor, as I understand it, the stipulations do not cover interrogatories, as such.

The COURT. Unless you agree to that, interrogatories are not evidence until they have been introduced. Do you want to clarify that stipulation in any respect?

Mr. ODEAR. If your Honor please, the interrogatories and answers thereto from both parties may be considered in evidence as far as we are concerned.

The COURT. That is my understanding. What is the difference? They have been introduced in evidence.

Mr. WILLIAMS. Your Honor, we prefer to introduce those portions of the interrogatories we want to rely on. I would like to do that at this time, if I may.

The COURT. That will mean the Defendants can come back and introduce portions which they rely on, and it is not [950] rebuttal at all unless it has some special rebuttal effect.

Mr. WILLIAMS. The ones I would like to call your attention to, your Honor, I think are clearly in the rebuttal category.

The COURT. We won't waste any further time on it. You go ahead and introduce what you want to introduce.

Mr. WILLIAMS. Thank you, sir. The interrogatory starts out: "The following Interrogatories, Numbered 1 through 12, are based upon the application for approval to consolidate, dated December 1, 1960, and filed by Defendent, First National and Security, with the Comptroller of the Currency."

I would like to read Interrogatory 2 and the Defendant's answer.

The COURT. You are taking that from what exhibit which was filed?

Mr. WILLIAMS. It is the answers to interrogatories, your Honor.

The COURT. It is not filed anywhere; all right.

Mr. WILLIAMS. "2. With respect to paragraph (b) on page 5, identify each of the large concerns referred to and each of the larger financial centers in which each of such concerns are alleged to have had their deposits, and state the approximate amount of such deposits of each such concern as of the date of the application."

[951] I am sorry, your Honor; I meant to read Interrogatory No. 4. I wish that to be stricken, please.

> Interrogatory No. 4. With respect to each of the small banks in this region as referred to in paragraph (c) on page 5, state separately the name and address of each such bank and the amount which each such bank had on deposit with (a) First National, and (b) Security, as of the date of the application or other convenient date during 1960 prior to December 1, 1960.
>
> Answer. As of December 1, 1960, a total of 58 small banks of this region had a total of $2,220,936.66 on deposit with First National.

I do not care to read all the names of the banks, your Honor.

Mr. ODEAR. Your Honor, I don't think that rebuts any evidence.

The COURT. That has already been put in evidence.

Mr. ODEAR. That is what we said was the fact.

Mr. WILLIAMS. I think there is testimony, your Honor——

The COURT. Go ahead. We don't have to fuss over something.

Mr. WILLIAMS. "Interrogatory 8. With respect to paragraph (h), page 6, state in detail the facts and [952] information which were the basis for the statement that 'large banks from other financial centers are active in solicitation' of trust business in the Lexington area.

"Answer. Citizens Fidelity Bank and Trust Company of Louisville, Kentucky, and the Central Trust Company of Cincinnati, Ohio, are the large banks from other financial centers which were referred to in paragraph (h), page 6, of the application as being active in soliciting trust business in the Lexington area."

If your Honor, will recall, we introduced in evidence through Mr. Dabney some letters from those banks that set forth the nature of that business.

The COURT. I remember very well. I don't know how you are rebutting it, though.

Mr. WILLIAMS. I wanted to clarify it.

The next interrogatory, your Honor, is Interrogatory 21, which reads: "State whether or not during the period January 1, 1956, to February 28, 1961, (a) First National or (b) Security, gave any consideration to increasing its capitalization; and if so, state the means by which it was proposed that such capitalization be increased and identify all minutes, correspondence, memoranda, or other records relating to such consideration.

"Answer. During the period from January 1, 1956, [953] to February 28, 1961, First National gave no consideration to increasing its capitalization. On October 23, 1958, at a directors' meeting, the capitalization of Security was increased from 24,000 shares of stock at $25 per share each to 40,000 shares at $25 per value. This was approved at a special stockholders' meeting held on November 12, 1958. The minutes of the directors' and shareholders' meetings constitute all minutes, correspondence, memoranda, or other records relating to such consideration."

The COURT. I want to see what your point is.

Mr. WILLIAMS. The point is simply, your Honor, that there has been testimony in this case that the Defendants were concerned about their capitalization.

The COURT. That's right.

Mr. WILLIAMS. The point is they gave no consideration to it apparently.

The COURT. Gave no consideration?

Mr. WILLIAMS. That is what the answer to the interrogatory states.

The COURT. I misunderstood that.

Mr. WILLIAMS. Would you like for me to read it again, sir?

The COURT. Just tell me: Didn't the interrogatory say that at a meeting they considered and developed this [954] question?

Mr. WILLIAMS. Your Honor, the interrogatory asked if, during the period from January 1, 1956, to February 28, 1961, First National or Security gave any consideration to increasing its capitalization. The answer is that during that period First National did not; and that Security did increase its captalization by a stated amount in 1958.

Your Honor, we would like to offer without reading Interrogatories and Defendant's Answers Nos. 23, 24, 25 and 26.

At this time Mr. Spaeth would like to offer in behalf of the Government some answers to questions that came up on depositions of some of the witnesses that the Defendants took, so we can refer to them in our brief, your Honor.

The COURT. All right, gentlemen, you can refer to them, I guess. The depositions have not been introduced, have they?

Mr. WILLIAMS. These depositions have been filed, your Honor, but have not been introduced in evidence.

The COURT. They are not in evidence then.

Mr. WILLIAMS. That's right.

Mr. ODEAR. If your Honor please, that last list of interrogatories they read from: We have no objection to those being put in evidence. They do contain confidential [955] matter which we would like to have submitted to the Court under seal so that the Court can see it, but the public at large can't see it.

The COURT. I heard no evidence of a confidential nature.

Mr. WILLIAMS. Some of it is, your Honor; but it has been agreed among counsel that any references to be made to them will be made by number so that the individual customers will not be identified.

The COURT. All right.

Mr. SPAETH. Your Honor, these are various excerpts from depositions taken by the Defendants. The Defendants have relied upon these depositions for certain statistical data which they have introduced in their case.

We do not think it would be particularly productive to actually read the scattered excerpts to the Court at this time. It would be entirely satisfactory for our purposes if we could simply identify by suitable means those portions on which we intend to rely.

Mr. ODEAR. We think if a portion of a deposition is going to be offered in evidence that we would like the entire deposition to be offered in evidence. We don't insist on it being read, but we think it would be proper to offer the whole thing.

[956] The COURT. All right, I will let you introduce it. I can't let you just pick out parts and introduce them, but you can call attention to those particular parts.

Mr. ODEAR. Oh, yes.

The COURT. What depositions are you talking about?

Mr. SPAETH. There are several here, your Honor. I have them by name and the date on which they were taken.

The COURT. Do you have this understanding: That any deposition from which you take extracts may be offered and considered in evidence as a whole by the Defendants, and you will be permitted to call special attention to anything which you want to designate particularly?

Doesn't that cover it?

Mr. ODEAR. Yes, sir, that does.

Mr. LISLE. One further thing, if the Court please. I understood Mr. Spaeth to say he wished to read them on certain points which had reference to certain of the information which was contained in various charts and tables which the Defendant has introduced.

I will call the Court's attention to the fact that the accuracy of those charts and tables was agreed to by the Government in a stipulation; so I don't know how this would be any rebuttal.

I just wanted to call that to the Court's attention.

[957] The COURT. They can introduce it. They may have some interesting points; I don't know.

Mr. SPAETH. They are in rebuttal, your Honor.

The COURT. Go ahead.

Mr. SPAETH. The deposition of Frank Congleton, Secretary Treasurer, Central Kentucky Production Credit Association, Lexington, Kentucky, taken by Defendants October 11, 1961.

The COURT. What is his name?

Mr. SPAETH. Congleton, your Honor.

The COURT. Hadn't you better indicate what you are calling attention to?

Mr. SPAETH. As I understand it, your Honor, if we are going to rely on any portion here, the Defendants are going to introduce the entire deposition; and therefore there does not seem to be much point in identifying by particular questions and answers those portions on which we rely—unless your Honor prefers me to do that at this time. I am prepared to.

The COURT. They have a right to put in the entire deposition. If you are going to put it all in, there is no use—unless you prefer to; I thought that was your preference—to lay some particular emphasis on the deposition.

Mr. SPAETH. We can do that later on in the briefs [958] and findings, your Honor.

The COURT. You can do that as soon as the deposition is in. The deposition of Frank Congleton is introduced by you?

Mr. SPAETH. Yes, your Honor.

The COURT. If Mr. Congleton were here, his deposition would be incompetent as evidence unless you introduced it in the way of rebuttal.

Mr. WILLIAMS. Your Honor, we have stipulated with counsel that we would waive the rule and the depositions taken, if necessary, would be treated as though they were taken outside the 100-mile area.

Mr. ODAR. That is true. We make no objection to that, your Honor.

The COURT. We are introducing the deposition of Frank Congleton. Who else?

Mr. SPAETH. The deposition of H. M. Endicott, Treasurer, Kentucky Female Orphans' School, Lexington, Kentucky, taken by Defendants June 22, 1961.

The deposition of N. D. Harper, Manager, Lexington Office, General Motors Acceptance Corporation, taken by Defendants October 12, 1961.

The deposition of Elizabeth Hartsfield, Treasurer, College of the Bible, Lexington, Kentucky, taken by Defendants [959] June 20, 1961.

Deposition of Robert L. Wheeler, Manager, Federal Land Bank Association of Lexington, taken by Defendants June 20, 1961.

Deposition of Russell White, Vice President, Transylvania University, Lexington, Kentucky, taken by Defendants June 21, 1961.

Deposition of W. F. Blackerby, President, Realty Mortgage Company, Lexington, Kentucky, taken by Defendents June 21, 1961.

Deposition of Plummer M. Jones, Jr., Franklin Pioneer Company, Lexington, Kentucky, taken by Defendants June 21, 1961.

Deposition of John G. King, Jr., Lexington, Kentucky, taken by Defendants October 9, 1961.

Deposition of Richard T. Mayes, Laclede Bond and Mortgage Company, Lexington, Kentucky, taken by Defendants October 11, 1961.

Deposition of Sterling Pearce, Pearce Mortgage Company, Lexington, Kentucky, taken by Defendants June 21, 1961.

Deposition of John Polk, Vice President, Central Kentucky Mortgage Company, Lexington, Kentucky, taken by Defendants June 20, 1961.

[960] Deposition of Wendell Reading, Vice President, Kentucky Growers Insurance Company, Lexington, Kentucky, taken by Defendants June 22, 1961.

Deposition of W. H. Smith, Phoenix Mortgage Company, Lexington, Kentucky, taken by Defendants October 9, 1961.

Deposition of Charles L. Watson, Jr., Prudential Insurance Company, Lexington, Kentucky, taken by Defendants June 20, 1961.

Deposition of Mike Downing, Vice President, Peoples Savings Fund and Building Association, Lexington, Kentucky, taken by Defendants October 9, 1961.

Deposition of Justin R. McCarthy, President, First Federal Savings and Loan Association, Lexington, Kentucky, taken by Defendants June 20, 1961.

Deposition of Wilbur C. Wilson, President and Manager, New Union Building Association, Lexington, Kentucky, taken by Defendants June 22, 1961.

Deposition of William L. Woodward, Secretary-Manager, Lexington Federal Savings and Loan Association, taken by Defendants June 21, 1961.

Deposition of Dan P. Clark, Jr., Treasurer, Lexington Signal Depot, Employees Credit Union, Lexington, Kentucky, taken by Defendants October 10, 1961.

[961] Deposition of Virginia Riley, Treasurer, Central Baptist Hospital, Federal Credit Union, Lexington, Kentucky, taken by Defendants October 11, 1961.

Mr. Odear. May it please the Court, we, of course, don't know what portions of those depositions they are going to designate for consideration. But since it is offered in rebuttal, we would like to have the right to object and know what portions they are on the grounds that the evidence is not actually in rebuttal.

Mr. Spaeth. I would be happy, your Honor, at this time to identify those portions. I had first offered to do that.

Mr. Odear. I am not objecting to that procedure. What I am suggesting is that we now register for the record an objection to each one of them on the grounds that it is not actually in rebuttal. And then when you do come up to it, the Court can rule on it and it is called to his attention.

Is that satisfactory?

The Court. I think this sort of confusion in the agreement that you have had is disturbing in regard to the procedure. In the first place, you agree that it be offered and introduced into evidence. You ask that they introduce the whole deposition if anything. They come on [962] and introduce the whole and identify the whole. Now, notwithstanding your motion that brought the whole in and has the whole introduced, you want now to object to the introduction of it.

Mr. Odear. My position is ill-taken, your Honor. I don't see any objection to letting it go in. I withdraw the objection.

The COURT. You can comment upon the effect of it.

Mr. ODEAR. Yes. I think that will be satisfactory, your Honor.

The COURT. All right.

Anything further?

Mr. WILLIAMS. That is all, your Honor.

The COURT. All right.

Mr. ODEAR. No surrebuttal, your Honor.

Just as a matter of precaution, I was wondering about the requests for admissions. They have been put in evidence?

The COURT. Is that correct? Requests for admissions have been put in evidence?

Mr. WILLIAMS. Yes, your Honor. For your personal convenience, your Honor, we have prepared a copy of our requested admissions and the Defendant's admissions, [963] which has been filed in evidence. I tender it to you for your personal convenience.

The COURT. I haven't examined the record in this respect, but I understood that either by agreement or by separate filing you have put into the record the respective positions of each of you with respect to the issues that are here presented. What is that situation?

Mr. WILLIAMS. Both parties, your Honor, have filed respective contentions as to the issues in the case.

The COURT. All right.

There being some issues, as I understand you, we will discuss the further procedure with regard to these issues. I suppose the burden is upon the Government in respect to these issues. And then you would want to file the first brief.

How much time do you want to file your brief?

Mr. WILLIAMS. I think, your Honor, I would suggest this: that we would prefer to file detailed proposed findings of fact and conclusions of law. We think we could accomplish that in a month's time. And within six weeks we would also file our brief.

The COURT. You mean within six weeks from the present time?

Mr. WILLIAMS. Yes, sir.

[964] The COURT. You will file proposed findings of fact and brief in support?

Mr. WILLIAMS. Yes, sir.

The COURT. So, just one six-week order is all that is necessary?

Mr. WILLIAMS. Yes, sir.

The COURT. I have no use for your findings of fact without your brief completing your contentions.

Mr. WILLIAMS. I understand, your Honor.

The COURT. All right. I assume the Defendants will want to file proposed findings of fact?

Mr. ODEAR. Yes, your Honor.

The COURT. And a brief in response to the Government's brief?

Mr. ODEAR. Yes, sir.

The COURT. How much time do you want? They have asked for six weeks.

Mr. ODEAR. I think six weeks for us would be satisfactory.

The COURT. Six weeks after service of the Government's filings?

Mr. ODEAR. Yes, sir.

The COURT. You will file your responsive brief and your proposed findings of fact?

[965] Mr. ODEAR. Yes, your Honor.

The COURT. All right, gentlemen. That will probably narrow it down for me to some extent by your filing proposed findings. Maybe some of them will be alike.

Mr. WILLIAMS. It is quite possible, your Honor.

Mr. ODEAR. Not too many of them.

The COURT. I am hopeful, at least.

Is there anything further, gentlemen?

Mr. WILLIAMS. Your Honor, we would like an opportunity after they file their proposed findings to comment on them and submit any reply brief. And we think we can accomplish that in two additional weeks if that would be satisfactory.

The COURT. What about their opportunity to file something responsive to your response?

You may do that provided you present nothing new.

Mr. WILLIAMS. Very well.

The COURT. Purely commentary. I think that will be all right.

Mr. WILLIAMS. Thank you, sir.

The COURT. Gentlemen, you had better get together with the Clerk and see if you can prepare and agree on an order setting out this procedure.

Mr. Clerk, can you take that dictation?

[966] The CLERK. Yes, sir.

The COURT. If there nothing else, we will be in recess.

(Whereupon, at 10:40 o'clock a.m., the above-entitled matter was concluded.)

[967] *In United States District Court*

PLAINTIFF EXHIBIT 1

United States District Court Eastern District of Kentucky at Lexington

Civil Action No. 1424

UNITED STATES OF AMERICA, PLAINTIFF

v.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY, AND FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, DEFENDANTS

STIPULATION

It is stipulated by the parties as follows:

A) That the charts, tables and documents listed below may be introduced in evidence on behalf of the Plaintiff without further authentication and that the same are competent and relevant:

1) States Other Than Kentucky Within Which First National Bank and Trust Company of Lexington Maintained Deposits With Correspondent Banks

2) States Other Than Kentucky Within Which Security Trust Company Maintained Deposits With Correspondent Banks

3) States Other Than Kentucky Within Which First Security National Bank and Trust Company of Lexington Maintains Deposits With Correspondent Banks

4) Total Assets of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

5) Total Deposits of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

6) Total Net Loans and Discounts of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

[968] 7) Total Assets of First National Bank and Trust Company of Lexington—1956 through 1960

8) Net Profits of First National Bank and Trust Company of Lexington for the Period 1956 through 1960

9) Balance Sheet of First National Bank and Trust Company of Lexington as of December 31, 1960

10) Total Capital Accounts of all Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

11) Total Real Estate Loans Secured by Farm Land (including improvements) of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

12) Total Real Estate Loans Secured by Residential Properties (other than farm) and Not Insured or Guaranteed by Federal Housing Administration or Veterans Administration of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

13) Report of Morgan Guaranty Trust Company Dated August 9, 1960, Regarding Proposed Merger of First National Bank and Trust Company and Security Trust Company

14) Total Assets of Security Trust Company—1955 through 1960

15) Net Profits of Security Trust Company for the Period 1956 through 1960

16) Balance Sheet of Security Trust Company as of 12-31-60

17) Extract of Minutes of Meeting of Board of Directors of First National on July 23, 1957

18) Note Sheet—Executive Committee Meeting (First National) of May 23, 1960

19) Supplemental Report of Morgan Guaranty Trust Company Dated October 11, 1960, Regarding Proposed Merger of First National Bank and Trust Company and Security Trust Company

20) Extract From Minutes of Meeting of Board of Directors of First National on November 22, 1960

21) Extracts from Minutes of Meeting of Board of Directors of Security Trust on November 28, 1960

22) Extract From Minutes of Meeting of Shareholders of First National on January 10, 1961

23) Extract From Minutes of Meeting of Shareholders of Security Trust Company on January 10, 1961

24) Agreement of Consolidation

25) Letter from Reed Dolan of the Office of the Comptroller of the Currency to LeRoy Miles (First National) Dated February 27, 1961

[969] 26) Telegram from Ray M. Gidney, Comptroller of the Currency, to LeRoy Miles (First National) Dated March 1, 1961

27) Consolidated Analysis of Deposits Held by All Commercial Banks in Fayette County as of December 31, 1960

28) Analysis of Deposits Held by First National Bank and Trust Company of Lexington as of December 31, 1960

29) Analysis of Deposits Held by Security Trust Company as of December 31, 1960

30) Consolidated Analysis of Loans and Discounts of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

31) Analysis of Loans and Discounts of First National Bank and Trust Company of Lexington as of December 31, 1960

32) Analysis of Loans and Discounts of Security Trust Company as of December 31, 1960

33) Analysis of Earnings of First National Bank and Trust Company of Lexington for the Year 1960

34) Trust Business of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

35) Analysis of Earnings of Security Trust Company for the year 1960

36) Consolidated Balance Sheet of All Savings Loan and Building Associations in Lexington, Kentucky, as of December 31, 1960

37) Application of First National Bank and Trust Company of Lexington for Permission to Establish a Branch at Northland Shopping Center Dated August 28, 1957

38) Letter from Hollis S. Haggard, Office of Comptroller of the Currency, to J. C. Nichols (First National) Dated November 6, 1957

39) Letter from LeRoy Miles (First National) to Hollis S. Haggard Dated March 20, 1958

40) Letter from Hollis S. Haggard to LeRoy Miles (First National) Dated March 25, 1958

41) Letter from LeRoy Miles (First National) to Hollis S. Haggard dated September 19, 1958

42) Letter from Hollis S. Haggard to LeRoy Miles (First National) Dated September 22, 1958

43) Letter From LeRoy Miles (First National) to Hollis S. Haggard dated March 26, 1959

44) Letter From Mr. Jennings, Deputy Comptroller of the Currency, to LeRoy Miles (First National) Dated March 31, 1959

45) Letter From LeRoy Miles (First National) to Hollis S. Haggard Dated September 19, 1959

46) Letter From Hollis S. Haggard to LeRoy Miles (First National) Dated September 25, 1959

[970] 47) Letter From LeRoy Miles (First National) to Hollis S. Haggard, Dated April 5, 1960

48) Letter From Hollis S. Haggard to LeRoy Miles (First National) Dated April 12, 1960

49) Letter From T. M. Brezinski, Office of Comptroller of the Currency, to LeRoy Miles (First National), Dated November 10, 1960

50) Letter From LeRoy Miles (First National) to T. M. Brezinski, Office of the Comptroller of the Currency, Dated November 14, 1960

51) Letter From LeRoy Miles (First National) to Reed Dolan, Office of the Comptroller, Dated November 5, 1960

52) Analysis By Size of Loans (Except Instalment Loans) Made by First National and Security Trust During the Year 1960

53) Total Commercial and Industrial Loans of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

54) Total Real Estate Loans of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

55) Total Single-Payment Loans to Individuals For Household Family and Other Personal Expenditures of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

56) Total Loans to Individuals on Instalment Basis for Household, Family and Other Personal Expenditures of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

57) Total Real Estate Loans Secured by Nonfarm, Nonresidential Properties of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960.

58) Total Demand Deposits of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

59) Total Time Deposits of Individuals, Partnerships and Corporations in All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

60) Total Time Deposits of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

61) Percentage of Property in the Area of Lexington, Kentucky, Which Includes Main Street from Spring Street to the Vicinity of Rose Street Listed by the City Assessor's Office in the Name of the Trust Department of the First National Bank and Trust Company of Lexington and the Security Trust Company as of December 15, 1961

62) Number of Banking Offices of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

63) Total Instalment Loans to Individuals To Repair and Modernize Residential Property of All Commercial Banks in Fayette County as of December 31, 1960

[971] 64) Three page document giving breakdown of loan maturity of Real Estate Mortgage Loans of First National

Bank and Trust Company of Lexington and Security Trust Company

65) Letter from Lee Loevinger to the Louisville Trust Company Dated January 4, 1962. (Letters requesting identical information were sent to the following banks:

Liberty National Bank & Trust Company of Louisville, Louisville, Kentucky
The Stockyards Bank, Louisville, Kentucky
First National Lincoln Bank of Louisville, Louisville, Ky.
Royal Bank & Trust Company, Louisville, Ky.
Citizens Fidelity Bank & Trust Company, Louisville, Ky.
The Fifth Third Union Trust Co., Cincinnati, Ohio
The First National Bank of Cincinnati, Cincinnati, Ohio
The Central Trust Company, Cincinnati Ohio
The Provident Bank, Cincinnati, Ohio
The Southern Ohio National Bank of Cincinnati, Cincinnati, O.
The North Side Bank & Trust Co., Cincinnati, Ohio
Bourbon Agricultural Bank & Trust Company, Paris, Ky.
The National Bank and Trust Company of Paris, Paris, Ky.
Peoples Deposit Bank & Trust Company, Paris, Ky.
The Clark County National Bank of Winchester, Winchester, Ky.
Commercial Bank, Winchester, Ky.
Peoples State Bank & Trust Company, Winchester, Ky.
The Winchester Bank, Winchester, Ky.
Madison National Bank, Richmond, Ky.
State Bank & Trust Company, Richmond, Ky.
The Farmers Bank, Nicholasville, Ky.
First National Bank of Nicholasville, Ky.
United Bank and Trust Company, Versailles, Ky.
The Woodford Bank and Trust Company, Versailles, Ky.
Farmers Bank & Trust Company, Georgetown, Ky.
The First National Bank of Georgetown, Georgetown, Ky.

The Georgetown National Bank, Georgetown, Ky.
Farmers Bank & Capital Trust Company, Frankfort, Ky.
The State National Bank of Frankfort, Frankfort, Ky.

66) Letter from G. Carlton Hill, President, Fifth Third Union Trust Company, to Antitrust Division, dated January 18, 1962

67) Letter from Pat Sullivan, President, Farmers Bank and Capital Trust Company to Lee Loevinger, Dated December 27, 1961

68) Letter from Caperton Burnam, Vice President, Madison National Bank, to United States Department of Justice, Dated January 8, 1962, enclosing Statement of Condition

69) Statement of Joe Allen, Assistant Cashier, Peoples Deposit Bank and Trust Company of Paris, Kentucky, dated January 1, 1962

70) Letter from Paul B. Momberg, Vice President, The Southern Ohio National Bank to Lee Loevinger, Dated January 10, 1962

71) Letter from Edward W. Back, Jr., Assistant Secretary and Treasurer, The Provident Bank, to Department of Justice, Dated January 10, 1962; enclosing Statement of Condition

72) Letter from Spears Turley, President, State Bank and Trust Company, to Lee Loevinger, Dated January 12, 1962

[972] 73) Letter from Clifford H. Coors, Vice President, The North Side Bank and Trust Company to Department of Justice, Dated January 10, 1962

74) Letter from Richard H. Stout, President, Bank of Louisville, to Antitrust Division, dated January 15, 1962

75) Letter from Buckner Woodford, Cashier, Bourbon-Agricultural Bank and Trust Company, to Department of Justice, Dated January 11, 1962

76) Letter from L. D. Sweazy, President, Woodford Bank and Trust Company, to Larry L. Williams, Dated January 16, 1962

77) Letter from W. S. March, Vice President and Comptroller, The Central Trust Company, to Antitrust Division, Dated January 19, 1962

78) Total Demand Deposits of Individuals, Partnerships and Corporations in All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

79) Total Loans to Farmers Not Secured by Farm Land of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

80) Total Loans to Financial Institutions of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

81) Total Loans for Purchasing or Carrying Securities of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

82) Analysis of Deposits Held by Citizens Union National Bank and Trust Company as of December 31, 1960

83) Analysis of Deposits Held by Bank of Commerce as of December 31, 1960

84) Analysis of Deposits Held by Central Bank as of December 31, 1960

85) Analysis of Deposits Held by Second National Bank & Trust Company as of December 31, 1960

86) Analysis of Loans and Discounts of Citizens Union National Bank and Trust Company as of December 31, 1960

87) Analysis of Loans and Discounts of Central Bank as of December 31, 1960

88) Analysis of Loans and Discounts of Bank of Commerce as of December 31, 1960

89) Analysis of Loans and Discounts of Second National Bank and Trust Company as of December 31, 1960

90) Total Deposits of Other Banks in the United States in All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

91) Letter from LeRoy Miles (First National) to Ray M. Gidney, Comptroller of the Currency, dated January 21, 1961

92) Analysis Of Capital Accounts By Type And Class Of Bank, As Of December 31, 1959, and December 31, 1960

93) Letter from Paul B. Memberg to Lee Loevinger, dated January 22, 1962

[973] 94) Letter from D. W. Potter to U.S. Department of Justice, dated January 22, 1962

95) Letter from D. W. Potter to U.S. Department of Justice, dated January 23, 1962

96) Letter from Karl R. Muir to Lee Loevinger, dated January 24, 1962

97) Letter from C. P. Ossman to Larry L. Williams, dated January 24, 1962

98) Letter from Arthur Swanner to Lee Loevinger, dated January 29, 1962

99) Letter from Charles B. Pember to Larry L. Williams, dated February 1, 1962

100) Letter from D. W. Potter to U.S. Department of Justice, dated February 5, 1962

101) Letter from Vernon R. Shaffer to Lee Loevinger, dated February 6, 1962

102) Letter from C. O. Elliston to Larry L. Williams dated February 7, 1962

103) Letter from Lee Loevinger to The Georgetown National Bank dated January 4, 1962

104) Letter from C. P. Ossman to Larry L. Williams dated February 16, 1962

[974] B) That the information contained in the charts and tables listed below is true and correct and such charts and tables may be offered in evidence on behalf of the Plaintiff without further proof of the facts therein contained but subject to objection by either party by reason of competency, relevancy and materiality. The documents listed below are authenticated copies of what they purport to be and may be offered in evidence without further proof of authentication but subject to objection by Defendant by reason of competency, relevancy and materiality, but Defendant does not admit the truth of any information stated in said documents.

1) Memo to Mr. Courtney and Mr. Nichols (First National) From Leonard C. Smith and Neilan Thurman (also of First National) (undated)

2) Report of Federal Reserve Board

3) Letter from Royal L. Coburn, General Counsel, Federal Deposit Insurance Corporation, to Lee Loevinger, Dated November 21, 1961

4) Report of Federal Deposit Insurance Corporation

5) Report of Attorney General

6) Letter from Robert Bicks, Assistant Attorney General, Antitrust Division, to LeRoy Miles (First National) Dated January 10, 1961

7) Letter from Robert Bicks, Assistant Attorney General, Antitrust Division, to Edward Dabney (Security Trust) Dated January 10, 1961

8) Booklet entitled "The Foundation for Commercial Banks—What It Is and What It Can Do Fof You"

9) Booklet entitled "Join Us In a Cooperative National Advertising Program for Banks—Foundation for Commercial Banks"

10) Advertisements (seven) Put Out by the Foundation for Commercial Banks

11) Extract from Census Statistics

12) Extract From Treasury Department Form No. 1931 (Rev. July 1960) entitled "Application For Approval To Consolidate or Merge"

13) Geographical Distribution of First National Bank—and Trust Company of Lexington's Demand Deposit Accounts (By Number of Accounts) for the Period January 1, 1960 through May 31, 1960

[975] 14) Geographical Distribution of First National Bank and Trust Company of Lexington's Demand Deposit Accounts (By Dollar Value) for the Period January 1, 1960 through May 31, 1960

15) Geographical Distribution of Security Trust Company's Demand Deposit Accounts (By Number of Accounts) for the Period January 1, 1960 through May 31, 1960

16) Geographical Distribution of Security Trust Company's Demand Deposit Accounts (By Dollar Value) for the Period January 1, 1960 through May 31, 1960

17) Geographical Distribution of Loans (Except Instalment Loans) Made by First National Bank and Trust Company of Lexington (By Number of Loans) During the Period January 1, 1960, to December 31, 1960

18) Geographical Distribution of Loans (Except Instalment Loans) Made by First National Bank and Trust Company

of Lexington (By Dollar Value) During the Period January 1, 1960 to December 31, 1960

19) Geographical Distribution of Loans (Except Instalment Loans) Made by Security Trust Company (By Number of Loans) During the Period January 1, 1960 to December 31, 1960

20) Geographical Distribution of Loans (Except Instalment Loans) Made By Security Trust Company (By Dollar Value) During the Period January 1, 1960 to December 31, 1960

21) Transcript of Speech of Edward Dabney at Special Meeting of Shareholders of Security Trust Company on January 10, 1961

22) Will of John G. Stoll

23) Article entitled "Commercial Finance, Banking Inter-Relationship, Stressed" from December 20, 1961, Issue of *American Banker*

24) "Financing Small Business," Report to the Committees on Banking and Currency and the Select Committees on Small Business, United States Congress by the Federal Reserve System, 85th Cong. 2d Sess.

25) "Problems of Small Business—Financing," H. Rept. No. 1889, 85th Cong. 2d Sess.

26) "Problems of Small Business—Financing," Hearings before the Select Committee on Small Business, Part I, 85th Cong. 1st Sess.

27) Application for Permission To Consolidate Submitted by First National and Security Trust to the Comptroller of the Currency

28) Geographic Source of Banking Business Done By The Citizens Union National Bank and Trust Company, Lexington, Kentucky

29) Geographic Source of Banking Business Done By The Bank of Commerce, Lexington, Kentucky

[976] LARRY L. WILLIAMS,
Attorney for Plaintiff.
GLADNEY HARVILLE,
RUFUS LISLE,
Attorneys for Defendants.

[977] *In United States District Court*

PLAINTIFF EXHIBIT 2

States other than Kentucky within which First National Bank and Trust Company of Lexington maintained deposits with correspondent banks: Illinois, New York, North Carolina, Ohio, Pennsylvania, Tennessee.

Source: Polk's Bank Directory, 132nd Edition, September 1960.

[978] *In United States District Court*

PLAINTIFF EXHIBIT 3

States other than Kentucky within which Security Trust Company maintained deposits with correspondent banks: Illinois, New York, North Carolina, Ohio, Pennsylvania.

Source: Polk's Bank Directory, 132nd Edition, September 1960.

[979] *In United States District Court*

PLAINTIFF EXHIBIT 4

States other than Kentucky within which First Security National Bank and Trust Company of Lexington maintains deposits with correspondent banks: Illinois, Massachusetts, New York, North Carolina, Ohio, Pennsylvania, Tennessee.

Source: Polk's Bank Directory, 134th Edition, September 1961.

[980] *In United States District Court*

PLAINTIFF EXHIBIT 5

Total Assets of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Assets (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$65,000	39.63
Security Trust Company	21,833	13.37
First National and Security Trust Combined	86,102	52.70
Citizens Union National Bank and Trust Company	27,876	17.06
Bank of Commerce	21,230	12.99
Central Bank	14,930	9.14
Second National Bank and Trust Company	13,240	8.10
Total	$163,378	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[981] *In United States District Court*

PLAINTIFF EXHIBIT 6

Total Deposits of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Deposits (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$88,673	60.08
Security Trust Company	17,402	11.88
First National and Security Trust Combined	76,075	51.95
Citizens Union National Bank and Trust Company	24,869	16.78
Bank of Commerce	19,500	13.22
Central Bank	14,144	9.68
Second National Bank and Trust Company	12,157	8.30
	$146,445	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[982] *In United States District Court*

PLAINTIFF EXHIBIT 7

Total Net Loans and Discounts of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Net Loans and Discounts (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$35,434	60.22
Security Trust Company	12,317	13.98
First National and Security Trust Combined	47,751	54.20
Citizens Union National Bank and Trust Company	14,457	16.41
Bank of Commerce	12,738	14.46
Central Bank	7,799	8.85
Second National Bank and Trust Company	5,362	6.09
Total	$88,107	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[983] *In United States District Court*

PLAINTIFF EXHIBIT 8

Total Assets of First National Bank and Trust Company of Lexington—1956 through 1960

Year:	Total Assets
1956	$57,091,882
1957	62,197,898
1958	63,344,379
1959	67,447,210
1960	65,068,618

Source: Reports of Condition of First National Bank and Trust Company of Lexington dated December 31, 1956, December 31, 1957, December 31, 1958, December 31, 1959 and December 31, 1960.

[984] *In United States District Court*

PLAINTIFF EXHIBIT 9

Net Profits of First National Bank and Trust Company of Lexington for the period 1956 through 1960

Year:	Net Profits
1956	$293,442.70
1957	302,276.96
1958	371,733.37
1959	463,161.90
1960	532,436.07

Source: First National Bank and Trust Company of Lexington, Report of Earnings and Dividends for 12 months ended December 31, 1956, December 31, 1957, December 31, 1958, December 31, 1959 and December 31, 1960.

[985] *In United States District Court*

PLAINTIFF EXHIBIT 10

Balance Sheet of First National Bank and Trust Company of Lexington as of December 31, 1960

[Amounts in thousands]

Assets	
Cash	$13,371
United States Government obligations	13,660
Obligations of States and political subdivisions	1,408
Other bonds, notes	11
Corporate stocks	75
Loans and Discounts	35,434
Bank premises owned	710
Furniture & Fixtures	148
Other assets	258
Total Assets	*65,069

Liabilities and Capital Accounts	
IPC Demand deposits	$34,333
IPC Time deposits	12,779
Deposits of United States Government	1,135
Deposits of States and political subdivisions	4,023
Deposits of banks	5,989
Other deposits	414
Total Deposits	58,673
Other liabilities	1,372
Total Liabilities	60,045
Capital Accounts:	
Capital Stock: Common	1,250
Surplus	1,250
Undivided Profits	2,423
Reserves	100
Total Capital Accounts	5,023
Total Liabilities & Capital Accounts	*65,069

*The sum of the items in the columns does not equal the Total Assets or Total Liabilities due to rounding.

Source: Report of Condition of First National Bank and Trust Company of Lexington dated December 31, 1960.

[986] *In United States District Court*

PLAINTIFF EXHIBIT 11

Total Capital Accounts of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Capital (thousands)	Surplus (thousands)	Undivided Profits (thousands)	Reserves (thousands)	Total Capital Accts. (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$1,250	$1,250	$2,423	$100	$4,923	33.92
Security Trust Company	1,000	1,200	835	0	3,035	21.71
First National and Security Trust Combined	2,250	2,450	3,258	100	8,058	57.63
Citizens Union Natl. Bank & Trust Company	1,000	1,500	133	0	2,633	18.83
Bank of Commerce	400	1,000	204	0	1,604	11.12
Central Bank	150	350	14	0	514	3.68
Second National Bank and Trust Company	300	450	250	83	1,083	7.75
Total	$4,100	5,750	3,949	183	13,982	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[987] *In United States District Court*

PLAINTIFF EXHIBIT 12

Total Real Estate Loans Secured by Farm Land (including improvements) of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Real Estate Loans Secured by Farm Land (including improvements) (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$309	25.03
Security Trust Company	256	15.94
First National and Security Trust Combined	804	40.97
Citizens Union National Bank and Trust Company	196	13.30
Bank of Commerce	247	16.78
Central Bank	38	2.58
Second National Bank and Trust Company	289	26.40
Total	$1,474	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[988] *In United States District Court*

PLAINTIFF EXHIBIT 13

Total Real Estate Loans Secured By Residential Properties (other than farm) and Not Insured or Guaranteed By Federal Housing Administration or Veterans' Administration of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Real Estate Loans Secured By Residential Properties (other than farm) and not Insured by FHA or VA (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$2,675	19.77
Security Trust Company	3,485	25.76
First National Bank and Security Trust Combined	6,160	45.53
Citizens Union National Bank and Trust Company	1,354	10.01
Bank of Commerce	3,781	27.95
Central Bank	1,177	8.70
Second National Bank and Trust Company	1,057	7.81
Total	$13,529	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[989] *In United States District Court*

PLAINTIFF EXHIBIT 14

AUGUST 9, 1960.

PROPOSED MERGER OF FIRST NATIONAL BANK & TRUST CO., LEXINGTON, KY.; SECURITY TRUST COMPANY, INC., LEXINGTON, KY.

INTRODUCTION

The following memorandum is a preliminary study of possible exchange terms in a merger of the above banks. It is based on the assumption that the merger is to be a real consolidation which would be of benefit to the present shareholders of both banks. The report attempts to evaluate the contribution of each bank to the proposed combined institution and suggests a basis for an exchange of stock in the light of the statistical data available to us. This is a tentative proposal, of course, and while we believe that most of the significant

statistical information has been considered, other factors may exist which could require a modification in our suggested exchange. No consideration has been given to non-statistical factors such as management strength or building locations. If differences exist in these areas, they would obviously have to be weighed in the final negotiations.

COMPARISON OF ASSETS, EARNINGS AND GROWTH

Condensed condition statements of the two banks on June 15, 1960, the date of the last call report, are given in attached Table I. The merger would create an institution with five banking offices, deposits of $68.8 million and stated capital funds of $7.75 million. Time deposits would account for about 26% of total deposits. On a combined basis, the deposit-capital ratio would be a comparatively low 8.9, indicating an above-average ability to support deposit expansion. Loans and other risk assets, although high in relation to deposits, would be in conservative proportion to capital funds. The following table indicates each bank's contribution to the combined total of significant balance sheet items.

	% of Combined Total	
	First National	Security Trust
Total Assets	75.7%	24.3%
U.S. Govt. Secs.	82.9	17.1
Municipals	69.5	30.5
Loans	72.1	27.9
Deposits	77.4	22.6
Capital Funds	62.0	38.0

First National's capital position and its distribution of assets are similar to those of most commercial banks. Security Trust, on the other hand, because of its emphasis on trust operations and its comparatively small deposit volume, is unusually strongly capitalized in relation both to deposits and to total risk assets despite a loan-deposit ratio of 79%. As a consequence, Security Trust's contribution to combined capital funds is relatively high (38%), compared with its share of

combined deposits (23%) and total assets (24%). Another noticeable difference between the two banks is Security Trust's current investment emphasis on mupicipal securities at the expense of U.S. Governments.

[990] Table II shows the 1959 net operating earnings statements of the two banks and each bank's contribution to the combined total. Security's trust fees and other non-interest income account for a proportionately large (32.5%) amount of its gross operating earnings while First National's loan income and investment income are more important to its total earnings. On a combined basis, non-interest income was a relatively important earnings factor but investment income accounted for only 15.4% of gross operating earnings, compared to 22.8% for all Federal Reserve Member banks in 1959.

Security Trust's lower operating expense ratio is largely attributable to smaller salary costs which represented only 22.5% of gross operating earning versus 29.4% for First National. The difference appears to lie in the relative number of employees since the average annual wage per employee in 1959 was about the same for each bank. The advantage of this lower wage ratio was partly offset by higher proportionate "other" expenses for Security Trust. Security Trust carried through to net operating earnings a somewhat higher proportion of gross (20.0%) than did First National (18.4%) and Security's high return on total assets was a reflection of its large service income. Because of its leveraged capital position, however, First National realized a higher net operating return on capital funds. Each bank's contribution to gross and net operating earnings in 1959, and on average for the five years 1955–59, (Table V), is summarized below:

	% of Combined Total			
	1959		Average 1955–59	
	First Natl.	Security Trust	First Natl.	Security Trust
Gross Operating Earnings	68.2	31.8	68.5	31.5
Pre-Tax Oper. Earnings	65.0	35.0	65.4	34.6
Net Oper. Earnings	66.4	33.6	65.8	34.2

Trends of the two banks' year-end deposits and loans are compared in Tables III and IV with those of all Federal Reserve Member banks in Kentucky. Since 1950, First National's deposits have increased considerably more than either Security Trust's or those of the Kentucky banks as a group. In the last four years, however, growth of the two banks has been similar and has been more than twice as fast as the state total. Security Trust's year-end deposits exhibit more volatility than First National's.

Reflecting a larger gain in gross and a lesser increase in its expense ratio, First National's earnings increased 48.5% in the four years 1955–1959, compared with a 29.1% gain for Security Trust. Since neither bank had any additional financing, this growth was carried through to per share earnings. Per share data are compared for the last five years in Table VI. Although First National's dividend pay-out averaged only 41% over the five years compared with 59% for Security Trust, larger earnings gains permitted a 43% increase in dividends vs. 6% for Security Trust. This plus a larger percentage increase in book value probably accounted for First National's wider price appreciation.

On the basis of average price, Security Trust sold higher than First National in relation both to book value and to net operating earnings during most of the five year period. Dividend yields of the two banks, however, were fairly close.

[991] ADJUSTMENTS TO STATED CAPITAL FUNDS

The following table makes certain self explanatory adjustments to each bank's stated capital funds in order to compensate for differences in accounting procedure and asset valuations. The adjusted book value thus derived is an ap-

proximate post-tax liquidating value applicable to the stock of each bank. It will be noted that on the basis of this adjusted book value, Security Trust's contribution to the combined total is 41.1%, as compared with its 38.0% share of stated captital funds.

Adjustments to Book Value (000)

	First		Security		Combined
Stated Book Value 6/11/60		$4,809		$2,944	$7,750
Loan Loss Reserves	$283		$133		
@ 48%		141		73	214
Other Valuation Reserves				171	171
Cash Surrender-Life Ins. Policies		4		44	48
Excess of R. E. Value over Carrying Value	1,072		875		
@ 75%		804		656	1,460
Commissions on Trust Estates			50		
@ 48%				24	24
Excess of Mkt. Value of Secs. over Carrying Value			87		
@ 75%				65	65
Excess of Carrying Value of Secs. over Mkt. Value	126				
@ 48%		(60)			(60)
Adjusted Book Value		$5,695		$3,977	$9,672
% of Combined		58.9%		41.1%	100.0%

EXCHANGE TERMS

The following table shows the effect on per-share earnings, dividends and book value of variations in the proportionate distribution of the shares of the merged bank. In each case the assumption is that First National stockholders would receive one share of the new bank for each old share. The shares to be received for each old Security Trust share are indicated at the top of the vertical columns.

[992]

	Present Shares	Exchange for Security Stockholders in terms of First National's Shares					
		1¼	1.3	1.4	1.5	1.7	1¾
Distribution of Shares:							
First	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Security	40,000	50,000	52,000	56,000	60,000	68,000	70,000
Total	140,000	150,000	152,000	156,000	160,000	168,000	170,000
Percent of Shares:							
First		66.7%	65.8%	64.1%	62.5%	59.5%	58.8%
Security		33.3%	34.2%	35.9%	37.5%	40.5%	41.2%
Net Operating Earns—1959:							
First	4.92	4.94	4.87	4.73	4.63	4.41	4.25
Security	6.21	6.18	6.33	6.65	6.95	7.50	7.61
Dividend							
First	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Security	3.20	2.50	2.67	2.80	3.00	3.40	3.50
Book Value							
First	48.06	51.67	50.99	49.69	48.44	45.13	45.89
Security	73.61	64.59	66.29	69.35	72.05	78.43	79.75
Adjusted Book							
First	56.95	64.48	63.63	62.00	60.45	57.87	56.89
Security	99.43	80.60	82.72	86.80	90.08	97.87	99.56

The most favorable exchange terms for First National's stockholders would be one based on their contribution to 1959 net operating earnings. Under such a distribution of ownership, 1¼ shares of the new bank would be exchanged for each share of Security Trust with the following results:

Most Favorable for First National

	Shares	% Total	Exchange Terms
First Nat'l Stockholders	100,000	66.7	1 for 1
Security Stockholders	50,000	33.3	1.25 for 1
Total Shares Outstanding	150,000	100.0	

	First National			Security Trust		
	New Share	Old Share	% Change	1.25 New Shares	Old Share	% Change
Net Oper. Earns—1959	4.94	4.92		6.18	6.21	
Stated Book Value	51.67	48.06	8%	64.59	73.61	(12)%
Adj. Book Value	64.48	56.95	13	80.60	99.43	(19)
Divd	2.00	2.00		2.50	3.20	(22)

Such an exchange would, in our opinion, be unfair to Security Trust stockholders in that it would ignore their contribution to combined capital funds and dilute unduly their per share book value. Their dividend payments would also be sharply reduced although this could be avoided by increasing the rate paid by the new bank.

[993] A distribution of shares on the basis of each bank's contribution to adjusted book value would be the most favorable method for Security Trust stockholders. The effect of such an exchange is shown below:

Most Favorable for Security Trust

	Shares	% Total	Exchange Terms
First Nat'l. Stockholders	100,000	58.8	1 for 1
Security Stockholders	70,000	41.2	1.75 for 1
Total	170,000	100.0	

	First National			Security Trust		
	New Share	Old Share	% Change	1.75 New Shares	Old Share	% Change
Net Oper. Earns.—1959	4.35	4.92	(12)%	7.61	8.21	29%
Stated Book Value	45.59	48.06	(5)	79.78	73.61	8
Adj. Book Value	56.89	56.95	----------	99.56	99.43	----------
Divd.	2.00	2.00	----------	3.50	3.20	9

We would consider this exchange unacceptable to First National stockholders since they would lose earnings and have no offsetting gain in book value. It also ignores the superior growth record of First National.

Our suggested exchange would be a compromise between the earnings and book value approaches and would provide for a 62.5%–37.5% distribution of ownership. To make the proposal more attractive to stockholders of both banks we would suggest a dividend rate of $2.40 for the new bank. In view of the capital strength of the merged institution and the probable increase in earnings in 1960, the $2.40 rate would be comparatively conservative.

Suggested Exchange

	Shares	% Total	Exchange Terms
First Nat'l. Stockholders	100,000	62.5	1 for 1
Security Stockholders	60,000	37.5	1.5 for 1
Total Shares Outstanding	160,000	100.0	

	First National			Security Trust		
	New Share	Old Share	% Change	1.5 New Shares	Old Share	% Change
Net Oper. Earn.—1959	4.93	4.92	(0)%	6.95	6.21	12%
Stated Book Value	48.44	48.06	1	72.66	72.61	(1)
Adj. Book Value	60.45	54.95	6	90.68	98.43	(9)
Divd.	2.40	2.00	20	3.60	3.20	13

This report has generally ignored the question of stock prices because of our impression that the market for these banks' shares is comparatively thin and the quotations therefore unrealistic. A recent bid price quoted for First National was 83 and for Security Trust 95. Our suggested exchange of 1.5 for 1 would mean a considerable increase in indicated market value for Security Trust stockholders—from 95 to 124, or 31%. On the basis of average prices in 1959 (59 for First and 95 for Security), however, Security Trust holders would lose [994] something in market value. It is our opinion that the benefits to be derived from the merger and the proposed dividend increase would probably result in the stock of the merged institution commanding a higher value than the combined value of the two banks prior to the merger.

D. M. CONNELL.

[905] TABLE I.—*Condensed Statements of Condition—Call Report—June 15, 1960*

[Amounts in $ Thousands]

	First National		Security Trust		Combined		% Contributed to Combined	
	Amount	% Assets	Amount	%	Amount	% Assets	First Nat'l.	Security Trust
Assets:								
Cash	$11,819	19.4%	$2,063	10.9%	$13,882	17.3%	84.9%	15.2%
U.S. Govt. Secs.	13,236	22.5	2,763	14.4	16,069	20.5	82.9	17.1
Municipals	1,466	2.5	1,498	7.9	2,964	3.8	49.5	50.5
Other Bonds	31	.....	252	1.3	283	.4	11.0	89.0
F.R. Stock	75	.1	65	.3	141	.2	53.2	46.8
Other Stock	.....	.....	82	.8	82	.1	.....	100.0
Loans	31,847	53.7	12,332	64.9	44,179	56.4	72.1	27.9
Bank Premises	803	1.4	.....	.....	803	1.0	100.0	.....
Other Assets	250	.4	9	.1	259	.3	96.5	3.5
Total Assets	$59,317	100.0%	$19,013	100.0%	$78,332	100.0%	75.7	24.3
Liabilities:								
Deposits:		% *Dep.*		% *Dep.*		% *Dep.*		
Dem.	$32,315	61.1%	$9,442	60.6%	$41,957	61.0%	77.5%	22.5%
Time	12,849	23.6	4,225	33.5	17,774	25.8	70.6	29.4
Govt.	1,485	2.9	353	2.3	1,838	2.7	80.8	19.2
State	4,905	7.5	621	3.3	4,526	6.6	88.5	11.5
Banks	2,081	3.9	10	.1	2,091	3.0	99.5	.5
Other	563	1.1	30	.2	613	.9	95.1	4.9
Total Dep.	$53,218	100.0%	$18,681	100.0%	$68,799	100.0	77.4	22.6
Other Liabilities	1,293	.....	490	.....	1,783	.....	72.5	27.5
Total Liab.	$54,511	.....	$18,071	.....	$70,582	.....	77.2	22.8
Capital Funds:								
Capital	$1,250	.....	$1,000	.....	$2,250	.....	.....	.....
Surplus	1,250	.....	1,200	.....	2,450	.....	.....	.....
Und. Prof.	2,206	.....	744	.....	2,950	.....	.....	.....
Resves.	100	.....	.....	.....	100	.....	.....	.....
Tot. Cap. Fds.	$4,806	.....	$2,944	.....	$7,750	.....	62.0	38.0
Ratios:								
Dep.-Cap'l. Fds.	11.1	.....	6.3	.....	8.9	.....	.....	.....
Risk Assets-Cap. Fds.	7.2	.....	4.8	.....	6.3	.....	.....	.....
Loans-Cap. Fds.	6.6	.....	4.2	.....	5.7	.....	.....	.....
Loans as % Dep.	59.8%	.....	70.1%	.....	64.2%	.....	.....	.....
Cash & Govts. as % Dep.	46.7%	.....	30.8%	.....	43.1%	.....	.....	.....

[998] TABLE II.—*Operating Earnings—1959*

[Amounts in $ Thousands]

	First National		Security Trust		Combined		% Contributed to Combined	
	Amount	% G.O.E.	Amount	% G.O.E.	Amount	% G.O.E.	First Nat'l.	Security Trust
Loan Income	$1,760.7	65.9%	$985.5	55.1%	$2,446.2	62.6%	72.0%	28.0%
Investment Inc.	449.8	16.8	155.2	12.4	606.0	15.4	74.4	25.6
Trust Dept.	182.5	6.8	198.3	15.9	380.8	9.7	47.9	52.1
Other Income	281.9	10.6	206.0	16.6	487.9	12.8	57.8	42.2
Gross Operating Earnings	$2,674.9	100.0%	$1,343.0	100.0%	$3,919.9	100.0%	68.2	31.8
Salaries	$787.8	29.4%	$280.6	22.5%	$1,068.4	27.3%	73.7	26.3
Int. on Time Dep.	330.5	12.4	130.3	10.5	460.8	11.8	71.7	28.3
Other Expenses	612.1	22.9	326.5	26.2	938.6	23.9	65.2	34.8
Total Oper. Exp.	$1,730.4	64.7%	$737.4	59.2%	$2,467.8	63.0%	70.1	29.9
Pre-Tax Oper. Earns.	$944.5	35.3%	$507.6	40.8%	$1,452.1	37.1%	65.0	35.0
Inc. Tax (Est.)*	453.0	16.9	259.1	20.8	712.1	18.2	63.6	36.4
Net Operating Earnings	$491.5	18.4%	$248.5	20.0%	$740.0	18.9%	66.4	33.6
Effective Tax Rate	47.9%		51.0%					
Net Operating Earnings as % of:								
Year-end Capital	10.5%		9.1%		10.0%			
Total Assets	.79%		1.19%		.89%			

*We have estimated taxes on operating earnings to exclude the effect of non-recurring charges and credits such as security profits or losses and transfers to valuation reserves.

[997] TABLE III.—*Total Deposits—Each Bank as % of Kentucky Federal Reserve Member Banks*

[Amounts in Thousands]

Dec. 31	Total Deposits		All Fed. Res. Member Banks in Kentucky	% of Kentucky Total	
	1st National Bank & Trust	Security Trust		1st National Bank & Trust	Security Trust
1950	$36,707	$12,011	$1,083,327	3.3%	1.16%
1951	40,327	14,618	1,190,969	3.4	1.2
1952	40,439	13,752	1,213,200	3.3	1.1
1953	39,648	13,170	1,204,626	3.3	1.1
1954	43,171	16,806	1,282,662	3.4	1.3
1955	47,404	13,988	1,315,640	3.6	1.1
1956	53,218	12,174	1,369,518	3.9	.9
1957	57,463	15,334	1,372,738	4.2	1.1
1958	57,847	16,655	1,458,859	4.0	1.1
1959	61,816	17,734	1,478,129	4.2	1.2
% Change:					
1950–59	68.4%	47.6%	36.9%		
1955–59	30.4%	26.7%	12.0%		

[998] TABLE IV.—*Loans—Each Bank as % of Kentucky Federal Reserve Member Banks*

[Amounts in Thousands]

Dec. 31	Total Loans		All Fed. Res. Member Banks in Kentucky	% of Kentucky Total	
	1st National Bank & Trust	Security Trust		1st National Bank & Trust	Security Trust
1950	$15,294	$5,065	$351,147	4.4%	1.4%
1951	15,121	6,413	375,069	4.0	1.7
1952	16,367	6,960	396,730	4.1	1.8
1953	18,122	7,834	427,748	4.2	1.8
1954	18,333	8,123	448,105	4.1	1.8
1955	21,039	8,239	508,945	4.2	1.6
1956	22,710	9,224	543,718	4.2	1.7
1957	25,841	10,729	560,271	4.6	1.9
1958	26,628	11,981	576,765	4.6	2.1
1959	31,910	13,615	642,482	5.0	2.0
% Change:					
1950–59	108.6%	149.1%	83.0%		
1955–59	51.7%	53.1%	27.0%		

[000] TABLE V.—*Operating Earnings—1955–59*

[Amounts in $ Thousands]

	Gross Oper. Earns.			Pre-Tax Oper. Earns.			Net Oper. Earns.		
	First	Security	Combined	First	Security	Comb.	First	Security	Comb.
1955	$1,677.0	$946.9	$2,623.9	$659.8	$389.7	$1,049.5	$331.0	$192.5	$523.5
1956	1,917.4	855.2	2,775.6	736.6	380.3	1,116.9	368.1	188.1	551.2
1957	2,095.9	967.4	3,063.3	890.5	434.4	1,324.9	343.6	230.6	574.2
1958	2,455.2	1,054.8	3,510.0	957.0	394.6	1,351.6	496.9	194.9	691.8
1959	2,674.9	1,245.0	3,919.9	944.5	507.6	1,452.1	491.5	248.5	740.0
Total	$10,980.4	$4,902.3	$15,882.7	$3,988.4	$2,106.6	$6,095.0	$2,029.1	$1,054.8	$3,080.7

% Change

	First	Security	First	Security	First	Security
1955–56	14.3	1.3	11.6	(2.4)	9.7	(2.3)
1956–57	9.3	15.1	(6.3)	14.2	(5.4)	22.6
1957–58	19.1	6.8	38.6	(9.2)	30.9	(15.5)
1958–59	7.2	18.0	(1.3)	28.6	1.1	27.5
1955–59	59.5	47.0	43.1	30.3	48.5	29.1

% Contributed to Combined

	First	Security	First	Security	First	Security
1955	66.4	33.6	62.9	37.1	63.2	36.8
1956	69.1	30.9	66.0	34.0	65.9	34.1
1957	68.0	32.0	61.4	38.6	59.8	40.2
1958	70.3	29.7	70.8	29.2	71.8	28.2
1959	68.2	31.8	65.0	35.0	66.4	33.6
Total 1955–59	68.5	31.5	65.4	34.6	65.8	34.2

[1000] TABLE VI.—*Per Share Data—1955–59*

	First National (100,000 shs.)				Security Trust (40,000 shs.)			
	Avg. Price	12/31 Book Value	N.O.E.	Divd.	Avg. Price	12/31 Book Value	N.O.E.	Divd.
1955	41	36.40	3.31	1.40	82	58.27	4.81	3.00
1956	52	37.74	3.63	1.60	86	60.09	4.70	3.00
1957	55	39.15	3.44	1.60	87	62.89	5.77	3.00
1958	55	44.08	4.97	1.80	87	65.26	4.87	3.05
1959	59	46.71	4.92	2.00	95	66.42	6.21	3.20

Ratios to Average Price

	As % Book Val.	Price/ N.O.E.	Divd. Yield	As % Book Val.	Price/ N.O.E.	Divd. Yield
1955	112.6	12.4	3.4%	140.7	17.0	3.7
1956	137.8	14.3	3.1	143.1	18.3	3.5
1957	140.5	16.0	2.9	139.0	15.1	3.4
1958	124.8	11.1	3.3	133.3	17.9	3.5
1959	126.3	12.0	3.4	138.8	15.3	3.4

[1001] *In United States District Court*

PLAINTIFF EXHIBIT 15

Total Assets of Security Trust Company—1955 through 1960

Year:	*Total Assets*
1955	$16, 710, 690
1956	15, 023, 308
1957	18, 219, 103
1958	19, 905, 893
1959	20, 958, 120
1960	21, 032, 612

Source: Reports of Condition of Security Trust Company dated December 31, 1955, December 31, 1956, December 31, 1957, December 31, 1958, December 31, 1959, and December 31, 1960.

[1002] *In United States District Court*

PLAINTIFF EXHIBIT 16

Net Profits of Security Trust Company for the period 1956 through 1960

Year:	Net Profits
1956	$192,919.63
1957	220,068.73
1958	226,571.20
1959	254,710.51
1960	426,057.03

Source: Security Trust Company, Report of Earnings and Dividends—Calendar Years 1956, 1957, 1958, 1959, 1960.

[1003] *In United States District Court*

PLAINTIFF EXHIBIT 17

Balance Sheet of Security Trust Company as of December 31, 1960

[Amount in thousands]

Assets		*Liabilities and Capital Accounts*	
Cash	$4,450	IPC Demand deposits	$11,593
United States Government obligations	2,481	IPC Time deposits	5,112
Obligations of States and political subdivisions	1,475	Deposits of United States Government	298
Other bonds, notes	182	Deposits of States and political subdivisions	350
Corporate stocks	117	Deposits of banks	10
Loans and discounts	12,317	Other deposits	45
Other assets	11	Total Deposits	17,402
Total Assets	21,033	Other liabilities	566
		Total Liabilities	17,968
		Capital Accounts:	
		Capital Stock: Common	1,000
		Surplus	1,200
		Undivided Profits	835
		Total Capital Accounts	3,035
		Total Liabilities & Capital Accounts	21,033

*The sum of the items in this column does not equal Total Liabilities due to rounding.

Source: Report of the Condition of Security Trust Company dated December 31, 1960.

[1004] *In United States District Court*

PLAINTIFF EXHIBIT 18

Upon motion by Mr. Dan S. Estill, seconded by Mr. L. B. Shouse and carried; Messrs. Gayle Mohney; David Ades; W. E. Lehman; W. H. Courtney, chairman of the board; J. D. Nichols, president; Leroy Miles, executive vice president; were appointed a committee to work out matters pertaining to the merger with the Security Trust Company. One or more of the committee is authorized to discuss such matters with representatives of the Security Trust Company.

I, James H. Robinson, Jr., Cashier of the First National Bank and Trust Company of Lexington, Kentucky, hereby certify that the foregoing is a true and accurate extract from the minutes of a regular meeting of the Board of Directors of the First National Bank and Trust Company of Lexington, held on July 23, 1957, with a quorum being present.

JAMES H. ROBINSON, Jr.,
Cashier & Secretary of the board.

State of Kentucky, County of Fayette.

Subscribed and sworn to before me by James H. Robinson, Jr., Cashier, this 24 day of March 1961.

MARY B. DOWNING,
Notary Public.

[1005] *In United States District Court*

PLAINTIFF EXHIBIT 19

NOTE SHEET

EXECUTIVE COMMITTEE MEETING AS OF MAY 23, 1960

Mr. Mohney and Mr. Ades brought up the reopening of negotiations for a merger between First National Bank and Trust Co. and Security Trust Co., stating that it was felt that, due to the personnel need of the Security Trust Co., our need for additional capital and the need of the community for a larger bank, the time was ripe for a merger.

After getting the feelings of all of the members of the Executive Committee present, it was moved by Mr. Ades, seconded

by Mr. Haggin and carried, that Mr. Miles and Mr. Mohney be appointed a committee of two to take the necessary steps toward reopening negotiations with the Security Trust Company toward effecting a merger.

[1006] *In United States District Court*

PLAINTIFF EXHIBIT 20

OCTOBER 11, 1960.

FIRST NATIONAL BANK & TRUST COMPANY, LEXINGTON, KY.
SECURITY TRUST COMPANY INC., LEXINGTON, KY.

Following our merger study of August 9, 1960, the two banks made certain revisions in their statistical data, the effects of which are discussed in this memorandum.

ADJUSTED BOOK VALUE

With respect to adjustments made to stated book value in order to arrive at comparable post-tax liquidating values, two changes were made in our original computations: 1) The potential capital gains tax on Security Trust's real estate appreciation was reduced to conform with the $290,000 tax basis valuation of its building; 2) Allowances for accrued trust commissions of $200,000 for Security Trust and $50,000 for First National, net of potential income taxes, were added to the two banks' respective capital funds. The effect of these changes and of other adjustments made in our original report, is reflected in Adjusted Book Value (1), which is given in the table on the following page.

Because they are uncertain about the validity of their real estate valuations, the banks have suggested that we use a range of values in our computations. This has been done in Adjusted Book Values (2), (3) and (4). The dollar valuations used are given in the footnotes. It will be noted that, provided First National's real estate is worth approximately twice that of Security Trust, the proportionate contribution of each bank to combined adjusted capital funds shows only a slight change as the dollar values are varied.

[1007] *Adjusted Book Value—6/15/60*

(Amounts in $ Thousands)

	First National		Security Trust		Combined
	Amount	% Combined	Amount	% Combined	
Stated Book Value	4,808	62.0	2,944	38.0	7,750
Adjusted Book Value (1)	5,719	58.1	4,122	41.9	9,841
Adjusted Book Value (2)	5,813	58.0	4,215	42.0	10,028
Adjusted Book Value (3)	5,438	57.4	4,028	42.6	9,466
Adjusted Book Value (4)	5,088	58.9	3,541	42.1	8,604

(1) Real Estate Assumed Values: First National, $1,875,000; Security Trust, $875,000.
(2) Real Estate Assumed Values: First National, $2,000,000; Security Trust, $1,000,000.
(3) Real Estate Assumed Values: First National, $1,500,000; Security Trust, $750,000.
(4) Real Estate Assumed Values: First National, $1,000,000; Security Trust, $500,000.

NOTE.—First National's carrying value for real estate is $802,000, and Security Trust's is completely written off. Potential tax for Security Trust on real estate appreciation has been calculated using the $290,000 tax basis.

NET OPERATING EARNINGS

To allow for differences in depreciation methods not taken into account in our preliminary study, net operating earnings have been adjusted for both banks in 1959 and for Security Trust in the four preceding years. The result of these changes was to increase Security Trust's contribution to combined net operating earnings in every year but 1957. Revised figures are given below:

Net Operating Earnings

[Amounts in $ Thousands]

	First National		Security Trust		Combined
	Amount	% Combined	Amount	% Combined	
1955	331.0	63.0	194.7	37.0	525.7
1956	363.1	65.5	191.0	34.5	554.1
1957	343.6	59.9	229.9	40.1	573.5
1958	496.9	71.2	200.9	28.8	697.8
1959	482.9	63.3	280.3	36.7	763.2
Five Year Total	2,017.5	64.8	1,096.8	35.2	3,114.3

[1008] SUMMARY

On the basis of revised book value and earnings figures, each bank the following proportionate contribution to the combined totals.

	As % of Combined Total	
	First National	Security Trust
Total Deposits 6/15/60	77.4	22.6
Adjusted Book Value*	57.6	42.4
Net Operating Earns.—1959	63.3	36.7
Net Operating Earns. 1955-59	64.8	35.2

In a purely statistical approach to a bank merger, we would be inclined to weight the latest year's earnings and current adjusted book value twice as much as historical earnings. This would result in the following suggested distribution (61%–39%) of the shares of the merged institution:

	Averaged Weighted Contribution	
	First National	Security Trust
Adj. Book Value* × 2	115.2	84.8
1959 Net Oper. Earns. × 2	126.6	73.4
5 Year Earns. × 1	64.8	35.2
Total	306.6	193.4
Average Weighted Contribution (total divided by 5)	61.3	38.7

*Average of four valuations shown on page 2.

However, it cannot be stressed enough that possible non-statistical factors, mentioned in our previous memorandum, have not been considered in our appraisal. We would think that after final negotiations the banks could well decide on an entirely equitable distribution that might range from 59%–41% to 63%–37%.

[1009] EFFECT OF VARIOUS DISTRIBUTIONS

The banks have suggested that the number of shares of the new bank be fixed so as to give each group of stockholders an increase in number of shares held. We have arbitrarily set the shares of the newly formed bank at 200,000 although obviously the same relationship could be achieved with any other capitalization.

	Merged Bank	
	Amount ($000)	Per Share (200,000 shs.)
Net Operating Earns.—1960	$763.2	$3.82	
Dividend	400.0	2.00	
% Payout			52.4%
Stated Book Value	7,750	38.75	
Adjusted Book Value	9,559	47.80	

The following table shows the effect on present shareholders' earnings, book value and dividends of variations in the distribution of ownership of the new bank.

	Present Shs.	Percentage of Ownership				
First National		59.0%	60.0%	61.0%	62.0%	63.0%
Security Trust		41.0	40.0	39.0	38.0	37.0
		Number of Shares After Merger				
First National	100,000	118,000	120,000	122,000	124,000	126,000
Security Trust	40,000	82,000	80,000	78,000	76,000	74,000
		200,000	200,000	200,000	200,000	200,000
		Shares Received for Each Old Share				
First National		1.18	1.20	1.22	1.24	1.26
Security Trust		2.05	2.00	1.95	1.90	1.85
		Net Operating Earnings—1939				
First National	4.83	4.51	4.58	4.66	4.74	4.81
Security Trust	7.01	7.53	7.64	7.45	7.26	7.07
		Dividend				
First National	2.00	2.36	2.40	2.44	2.48	2.52
Security Trust	3.20	4.10	4.00	3.90	3.80	3.70
		Stated Book Value				
First National	48.06	45.73	46.50	47.28	48.05	48.83
Security Trust	73.60	79.44	77.50	75.56	73.63	71.69
		Adjusted Book Value				
First National	55.08	56.40	57.36	58.32	59.27	60.23
Security Trust	101.38	97.99	95.60	93.21	90.82	88.43

[1010] Although we are inclined to favor the 61%–39% distribution on the basis of available statistical data, the 60%–40% distribution differs very slightly and has the advantage of a convenient multiple of exchange. The following table shows the percentage change in earnings, dividend and book value resulting from such a distribution:

	First National			Security Trust		
	Old Share	1.3 New Shares	% Change	Old Share	2.6 New Shares	% Change
1969 N.O.E.	4.83	4.58	(5.2)%	7.01	7.04	0.6%
Dividends	2.00	2.60	30.0	3.20	4.00	25.0
Stated Book Value	48.08	46.50	(3.2)	73.60	77.50	5.3
Adjusted Book Value	58.09	67.38	4.1	101.25	96.00	(5.6)

D. CONNELL.

[1011] *In United States District Court*

PLAINTIFF EXHIBIT 21

Mr. Miles read to the board recommendations of the executive committee relating to the proposed merger between this bank and the Security Trust Company, Lexington, Kentucky. The recommendations are:

1. That Messrs. Ades, Brock and Lehman represent First National Bank and Trust Company to examine and approve the acceptability of Security Trust Company assets.
2. That Stanley McGee, C.P.A. of Humphrey Robinson firm be retained to assist the named directors in evaluating assets of the Security Trust Company.

After a lengthy discussion, motions were duly made, seconded and unanimously carried approving the recommendations.

Mr. Miles reviewed, in detail, the proposed plan of consolidation and stated that it was necessary for the banks to file a joint application with the Comptroller of the Currency for approval.

[1012] He further stated that the Office of the Comptroller of the Currency had suggested that the boards of directors authorise the presidents of the two banks to execute the formal application.

Mr. Miles further stated that, upon approval of the form and content of the agreement of authorisation by the Comptroller of the Currency, that the same would be submitted to the board of directors for final approval and execution by a majority of the members of the board.

Thereupon, the following resolution was adopted on motion of Mr. W. E. Lehman, seconded by Walter W. Hillenmeyer, Jr., and unanimously carried.

> WHEREAS, The boards of directors of First National Bank and Trust Company of Lexington, a national banking association organised under the laws of the United States, and Security Trust Company, a State bank organised under the laws of the State of Kentucky, have approved a plan of consolidation of the two banks pursuant to the provisions of Title 12, U.S. Code, section 215, and KRS 287.173, the resulting bank pursuant to the consolidation to be a national bank under the charter of First National as amended and to be known as "First Security National Bank and Trust Company of Lexington"; and
>
> WHEREAS, Under applicable law, application for approval to consolidate must be executed and filed with the Comptroller of the Currency upon Form No. 1931 (revised July, 1960) furnished by the Office of the Comptroller of the Currency and the approval of the comptroller must be obtained before consolidation of the two banks can be effected; and
>
> WHEREAS, First National and Security have prepared a joint application for approval to consolidate, which with attached exhibits, schedules and supplementary documents has been presented to and considered by the Board of Directors of First National and Security;
>
> BE IT THEREFORE RESOLVED That LeRoy Miles, president, be and he is hereby authorised for and on behalf of

First National Bank and Trust Company of Lexington to execute, jointly with Security Trust Company, an application for approval to consolidate First National Bank and Trust Company of Lexington and Security Trust Company in such number of counterparts as may be required and to deliver the same, together with accompanying exhibits, schedules and supplementary documents, to the Comptroller of the Currency in Washington, D.C.

[1013] I, James H. Robinson, Jr., Cashier of the First National Bank and Trust Company of Lexington, Lexington, Kentucky, hereby certify that the foregoing is a true and accurate extract from the minutes of a regular meeting of the Board of Directors of the First National Bank and Trust Company of Lexington, held on November 22, 1960, with a quorum being present.

JAMES H. ROBINSON, Jr.,
Cashier and Secretary of the Board

STATE OF KENTUCKY,
County of Fayette:

Subscribed and sworn to before me by James H. Robinson, Jr., Cashier, this 24 day of March 1961.

MARY B. DOWNING,
Notary Public.

My commission expires June 25, 1964.

[1014] *In United States District Court*

PLAINTIFF EXHIBIT 22

LEXINGTON, KENTUCKY, *November 28, 1960.*

The Board of Directors of the Security Trust Company met this day in a special meeting called by the President, of which due notice was given, for the purpose principally of giving further attention to the proposed consolidation of the Company and First National Bank and Trust Company of Lexington. President Dabney was in the chair with directors Milward, Wright, Vallandingham, Wiedemann, Wallace, Tenney, Smith and Wachs being present.

The President reported that further progress had been made in discussions between representatives of the First National Bank & Trust Company of this city and Security Trust Company, in accordance with the authority and direction previously given by the board.

He indicated that an Agreement of Consolidation between the two banks had been drafted. This instrument was read in full to the Board, which gave its approval thereto. He further indicated that an application for the consolidation of the two banks, under the terms of the Agreement of Consolidation, for submission to the Comptroller of the Currency, also had been prepared and had been approved by the directors of First National Bank & Trust Company of Lexington, and its President authorized to execute the same for and on behalf of that bank.

The terms of the Agreement of Consolidation and other aspects of the proposed consolidation were discussed at length by the board.

Thereupon, by a motion duly made, seconded and carried, the following resolution was adopted:

> WHEREAS, the Boards of Directors of First National Bank and Trust Company of Lexington, a National Banking Association organized under the laws of the United States, and Security Trust Company, a State Bank organized under the laws of the State of Kentucky, have approved a plan of consolidation of the two banks pursuant to the provisions of Title 12, U.S. Code, Section 215, and KRS 287.173, the resulting bank pursuant to the consolidation to be a National Bank under the Charter of First National as amended and to be known as "First Security National Bank and Trust Company of Lexington"; and
>
> WHEREAS, under applicable law, application for approval to consolidate must be executed and filed with the Comptroller of the Currency and the approval of the Comptroller must be obtained before consolidation of the two banks can be effected; and

WHEREAS, First National and Security have prepared a joint application for approval to consolidate, which with attached exhibits, schedules and supplementary documents has been presented to and considered by the Board of Directors of First National and Security;

BE IT THEREFORE RESOLVED, That E. S. Dabney, President, be and he is hereby authorized for and on behalf of Security Trust Company to execute, jointly with First National Bank and Trust Company of Lexington, an application for approval to consolidate First National Bank and Trust Company of Lexington and Security Trust Company in such number of counterparts as may be required and to deliver [1015] the same, together with accompanying exhibits, schedules and supplementary documents, to the Comptroller of the Currency in Washington, D.C.

During the discussion it was made known that, according to the agreement of representatives of the banks, the board of directors of the consolidating banks would consist of 15 members, of whom 6 would be afforded by Security Trust Company. Upon a motion duly made, seconded and carried, Messrs. Leonard G. Cox, Jr., Edward S. Dabney, Louis E. Hillenmeyer, Salem A. Wallace, J. Stephen Watkins and F. H. Wright were designated as the 6 directors afforded by Security Trust Company.

The meeting adjourned.

E. S. DABNEY,
President.

Attest:

H. B. GLASS,
Secretary.

DECEMBER 20, 1960.

This is to certify that the foregoing is a true and accurate copy of the minutes of a special meeting of the Board of Directors of Security Trust Company, Lexington, Kentucky, held

on November 28, 1960 at its offices in Lexington, Kentucky, and that a quorum was present at said meeting.

HARRY B. GLASS,
Secretary.

STATE OF KENTUCKY,
County of Fayette:

Subscribed and sworn to before me by Harry B. Glass, Secretary of the Security Trust Company, this 29th day of December, 1960.

KATHERINE W. (BAUMSTARK) RATLIFF,
Notary Public.

My commission expires August 26, 1961.

[1016] *In United States District Court*

PLAINTIFF EXHIBIT 23

The following motion was made by LeRoy Miles, seconded by W. E. Lehman:

WHEREAS, a majority of the Board of Directors of the First National Bank and Trust Company of Lexington, Lexington, Kentucky, and a majority of the Board of Directors of The Security Trust, Lexington, Kentucky, have mutually entered into a consolidation agreement reading as follows

(*Copy attached*)

NOW, BE IT RESOLVED, That such Consolidation Agreement be and hereby is, ratified and confirmed, subject to the approval of the Comptroller of the Currency.

* * * * *

I, James H. Robinson, Jr., Cashier of the First National Bank and Trust Company of Lexington, Lexington, Kentucky hereby certify that the foregoing is a true and accurate extract from the minutes of the regular meeting of the Shareholders of the First

National Bank and Trust Company of Lexington, held on January 10, 1961.

[SEAL] JAMES H. ROBINSON, Jr.,
Cashier and Secretary of the Board.

STATE OF KENTUCKY,
County of Fayette:

Subscribed and sworn to before me by James H. Robinson, Jr., Cashier, this 24 day of March 1961.

[SEAL] MARY B. DOWNING,
Notary Public.

My commission expires June 25, 1964.

[1017] *In United States District Court*

PLAINTIFF EXHIBIT 24

SPECIAL MEETING OF STOCKHOLDERS OF SECURITY TRUST COMPANY

LEXINGTON, KENTUCKY
JANUARY 10, 1961

A special meeting of stockholders of Security Trust Company, of Lexington, Kentucky, was held, at the Company's office, at 10:00 o'clock A.M., E.S.T. on the 10th day of January, 1961, pursuant to notice duly given.

E. S. Dabney, President, called the meeting to order and stated that the first business was the election of a Chairman for the meeting. Upon motion duly made, seconded and unanimously carried E. S. Dabney was elected Chairman and thereupon took the chair and called for the nomination of a Secretary. Harry B. Glass was nominated and unanimously elected Secretary of the meeting. Angus McDonald, Dr. Herman L. Donovan and Dr. Donan B. Harding were appointed tellers by the Chairman to ascertain and report the number of shares rep-

resented either by owners in person or by proxies duly executed and were appointed judges to conduct and declare the result of the voting upon a proposal for the merger of the Company with First National Bank and Trust Company of Lexington. The tellers then qualified by taking the oath before Mrs. Luise C. West, a notary public for the faithful discharge of their duties.

The Chairman proceeded by requesting all stockholders present who had not voted their shares and who desired to vote them in person to fill out a form, which was passed around, indicating their wishes and to return the form to the tellers for their use in determining the number of shares present and voting. The Chairman requested the stockholders having proxies to deliver them to the tellers immediately in order for the tellers to count the shares represented thereby.

An explanatory report on the proposed consoldiation was made by President Dabney.

President Dabney read letters received from Mr. G. D. Kincaid dated January 4, 1961 and January 7, 1961 copies of which are attached to these minutes. Mr. Dabney stated that the Board of Directors had taken Mr. Kincaid's letters under advisement.

The Chairman then called for a report from the three teller-judges who reported that Thirty Seven Thousand Five Hundred and Thirty Nine shares were represented at the meeting either by owners in person or by proxy, being a quorum and a majority of all stock outstanding.

The Chairman then asked if there were any shareholders present who had not votd by proxy who wantd to vote in person and if so please give their name to the tellers.

[1018] R. H. Josey..... 260 shs.
Harry B. Miller, Gdn. by Robta Griffin his proxy..... 370 shs.
Frank Wilford, Asst. V. Pres. & Tr. Officer on behalf of
First Natl. Bk. & Tr. Co. of Lexington in its
Fiduciary Capacity..... 812 shs.

The Chairman recognized Mr. Homer L. Drew, Vice President & Trust Officer, and Mr. Drew read aloud the proposed Consolidation Agreement between the Security Trust Company of Lexington, Kentucky and the First National Bank and Trust

Company of Lexington, Kentucky and the proposed Articles of Association of the First Security National Bank and Trust Company of Lexington. Thereupon a motion was made by Mr. Drew and seconded by Mr. R. G. Vallandingham, that the shareholders approve the Consolidation Agreement and the Articles of Association as read.

The Chairman adjourned the meeting to re-convene at 1:30 P.M.

The Chairman called the meeting to order at 1:30 and asked for any discussions on the Agreement to Consolidate and the Articles of Association.

The Chairman yielded the rostrum to Joseph C. Graves, Jr.; who made a motion that the meeting adjourn until May 1, 1961 and the motion was seconded by George K. Graves, III. The Chairman requested that the motion be reduced to writing and be made a part of the minutes of this meeting. The Chairman asked for a discussion of the motion and then called for a vote. Before a vote could be taken, the Chair recognized Frank Ginnochio who requested permission to examine all of the proxies. Mr. Ginnochio challenged certain proxies as listed below:

Clarence K. Thomas	65 shs.
Properties, Inc.	5 shs.
Grace P. Preston	188 shs.
Maggie B. Maccoun	120 shs.
Mrs. Ruth B. Landrum	30 shs.
Dan H. Jenks & Kathy S. Jenks	9 shs.
Jenkins & Co.	31 shs.
Taylor N. House, Jr.	50 shs.
Willie B. & John T. Griffin	59 shs.
Rodney Warfield Gratz	5 shs.
A. H. Fulkerson or Leora R. Fulkerson as Joint Tenants with Right of Survivorship	84 shs.
First Natl. Bk. of Chicago & Clay Judson as Trustees under Agreement with Alice Clay Judson	23 shs.
First Natl. Bk. & Tr. Co. of Lex.	812 shs.
Mary Woodson Dudley	240 shs.
John W. Dabney	128 shs.
James C. Boyd	252 shs.
Security Trust Co., voting in various Fiduciary Capacities	9,347 shs.
Emma Adelia Stewart	200 shs.

This objection was overruled by the Chairman.

The tellers proceeded to report that they had received all the proxies submitted and saw no matters to indicate that the proxies were none other than valid.

[1019] The Chairman proceeded and asked for a vote on the motion as made by Mr. Joseph C. Graves, Jr. for adjournment until May 1, 1961. The judges thereupon reported a total of 31,628 votes were cast against the adjournment and 7,308 shs. voted in favor of adjournment. The Chairman then declared that the motion was defeated for want of a majority.

Thereupon Vice President Drew requested a vote be taken upon his motion to approve the Agreement to Consolidate and the Articles of Association as outlined in previous paragraphs of these minutes.

The tellers report was read by Mr. Angus McDonald, a copy of which report is attached to these minutes.

The Chairman then declared that the tellers had reported that 38,988 shares were voted and of that total 31,688 votes were cast for approval of the Agreement to Consolidate and the Articles of Association and 7,300 votes were cast against the approval. The Chairman declared that the motion had been carried.

The Chairman expressed his gratitude and appreciation to the tellers in fufilling their duties and commended the shareholders present for their fine spirit displayed at the meeting.

The Chairman requested that a motion be made to adjourn the meeting to re-convene at the same location at 10:00 A.M. January 24, 1961. A motion was made and seconded that such be done. The Chairman then declared that the meeting was adjourned until the time and date as mentioned above.

We, E. S. Dabney, Chairman, and Harry B. Glass, Secretary of the Special Stockholders' Meeting at the Security Trust Company, of Lexington, Kentucky, held on this the 10th day of January, 1961, do hereby certify that the preceeding pages are a true and complete record of the transactions of said meeting.

Witness our hands this 10th day of January, 1961.

.....

Chairman.

.....

Secretary.

[1020] We, the undersigned duly appointed tellers of the special meeting of the shareholders of Security Trust Company, do hereby certify as follows:

That the special meeting of the stockholders of said company was held at the office of the company, Mill and Short Streets, Lexington, Kentucky, on the 10th day of January, 1961, at 10 o'clock A. M., Eastern Standard Time, pursuant to due notice.

That before entering upon the discharge of our duties, we were duly sworn and the oath so taken by us is hereto annexed.

That we inspected signed proxies used at the meeting and found the same to be in proper form, and made a complete tabulation of all votes cast at said meeting, both by proxy and in person.

That a total of 38,988 shares of capital stock of said company were voted at said meeting;

That 31,688 shares were voted in favor of the motion to approve the Agreement of Consolidation between Security Trust Company and First National Bank & Trust Company of Lexington;

That 7,300 shares were voted against the motion to approve the Agreement of Consolidation between Security Trust Company and First National Bank & Trust Company of Lexington.

IN WITNESS WHEREOF we have hereunto set our hands this 10th day of January, 1961.

ANGUS W. McDONALD.
HERMAN L. DONOVAN.
DONNAN B. HARDING.

[1021] I hereby certify that the foregoing is a true, accurate and correct copy of the minutes of the Special Meeting of Stockholders of Security Trust Company held at the Company's office at 10:00 o'clock A. M. E.S.T. on the 10th day of January, 1961, pursuant to notice duly given.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary aforesaid, and have hereunto affixed the Corporate Seal of Security Trust Company, this 24th day of March, 1961.

HARRY B. GLASS,
Secretary.

Subscribed and sworn to before me this 24th day of March, 1961.

ERMALYN A. MCCANN,
Notary Public.

My commission expires November 23, 1964.

* * * * *

[1024] *In United States District Court*

PLAINTIFF EXHIBIT 25

AGREEMENT OF CONSOLIDATION

AND

PLAN OF REORGANIZATION

OF

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON

AND

SECURITY TRUST COMPANY

UNDER CHARTER OF

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON

UNDER TITLE OF

"FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON"

This Agreement of Consolidation and Plan of Reorganization made by and between

First National Bank and Trust Company of Lexington (hereinafter referred to as "First National"), a banking association organized under the laws of the United States, being located at Lexington, County of Fayette, in the Commonwealth of Kentucky, with a Capital of $1,250,000.00, divided into 100,000 shares of common stock, each of $12.50 par value, Surplus of $1,250,000.00, and Undivided Profits, including Capital Reserves, of $2,502,251.18, as of October 3, 1960; and

Security Trust Company (hereinafter referred to as "Security"), a banking association organized under the laws of the Commonwealth of Kentucky, being located at Lexington, County of Fayette, in the Commonwealth of Kentucky, with a Capital of $1,000,000.00, divided into 40,000 shares of common stock, each of $25.00 par value, Surplus of $1,200,000.00, and Undivided Profits, including Capital Reserves, of $772,087.58, as of October 3, 1960;

Each acting pursuant to a resolution of its Board of Directors, adopted by the vote of a majority of its Directors, pursuant to the authority given by and in accordance with the provisions of the Act of November 7, 1918, as amended (12 U.S.C., Section 215) and KRS 287.173 and pursuant to a Plan of Reorganization under Section 368 of the Internal Revenue Code of 1954;

[1025] WITNESSETH as follows:

SECTION 1

First National and Security (hereinafter referred to as the "Consolidating Banks") shall be consolidated under the Charter of First National as amended so as to read in its entirety as set forth in "Exhibit A" hereto annexed.

SECTION 2

The name of the consolidated association (hereinafter referred to as the "Association") shall be First Security National Bank and Trust Company of Lexington.

SECTION 3

The business of the Association shall be that of a national banking association. This business shall be conducted by the Association at its main office, which shall be located at 167 West Main Street, Lexington, Kentucky, and at its legally established branches.

SECTION 4

The amount of capital stock of the Association shall be $2,500,000.00, divided into 200,000 shares of common stock, each of $12.50 par value, and at the time the consolidation shall become effective the Association shall have a Surplus of $2,500,000.00, and Undivided Profits, including Capital Reserves, which when combined with the capital and surplus will be equal to the combined capital structures of the Consolidating Banks as stated in the preamble of this agreement; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of [1026] the consolidation and, for cash payments of amounts as set forth under Section 6 and the payment of normal dividends by the Consolidating Banks as set forth in Section 7 of this Agreement.

SECTION 5

All assets of each of the Consolidating Banks, as they exist at the effective time of the consolidation, shall pass to and vest in the Association without any conveyance or other transfer, and the Association shall be responsible for all of the liabilities of every kind and description, including liabilities arising out of the operation of a Trust Department of each of the Consolidating Banks existing as of the effective time of the consolidation.

The assets contributed by the Consolidating Banks shall, at the effective time of the consolidation, have been passed upon and be acceptable to a committee of six, three to be appointed by the Board of Directors of each bank.

As its contribution to the capital structure of the Association, First National shall contribute acceptable assets having a book value, over and above its liability to its creditors, of at least $5,002,251.18, and having an estimated fair value, over and above its liability to its creditors, of at least $6,176,251.18, or 60% of the aggregate estimated fair value of excess acceptable assets being contributed by the Consolidating Banks

to the Association; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of the consolidation, and, for allowance of cash payments, if any, permitted under this agreement.

[1027] The difference between the book value and the estimated fair value of the assets to be contributed is made up as follows:

Additions to book value:	
Reserve for Bad Debts	$302,000.00
Reserve for Bond Losses	110,000.00
Estimated Value of Banking House in excess of book value	791,000.00
Accrued commissions on Trust Estates	50,000.00
Cash Surrender Value of Life Insurance	4,000.00
Goodwill, based on record of earnings	420,000.00
Total Additions	$1,677,000.00
Deductions from book value:	
Adjustment for taxes applicable to the listed items	$330,000.00
Bond depreciation, estimated	87,000.00
Cash payment to become payable to shareholders, as indicated in this Agreement	80,000.00
Total Deductions	$503,000.00
Net addition to book value	$1,174,000.00

As its contribution to the capital structure of the Association, Security shall contribute acceptable assets having a book value, over and above its liability to its creditors, of at least $2,972,087.58, and having an estimated fair value, over and above its liability to its creditors of at least $4,122,087.58, or 40% of the aggregate estimated fair value of excess acceptable assets being contributed by the Consolidating Banks to the Association; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of the consolidation, and, for allowance of cash payments, if any, permitted under this agreement.

The difference between the book value and the estimated fair value [1028] of the assets to be contributed is made up as follows:

Additions to book value:	
Reserve for Bad Debts	$153,000.00
Reserve for Bond Losses	171,000.00
Bond Appreciation, Estimated	143,000.00
Estimated value of Banking House in excess of book value	780,000.00
Accrued commissions on Trust Estates	200,000.00
Cash Surrender Value of Life Insurance	44,000.00
Total Additions	$1,491,000.00
Deductions from book value:	
Adjustment for Taxes Applicable to the Listed Items	$341,000.00
Total Deductions	$341,000.00
Net addition to book value	$1,150,000.00

SECTION 6

Of the capital stock of the Association, the shareholders of First National shall be entitled to receive 120,000 shares, being 1.2 shares, each of $12.50 par value, in exchange for each share of $12.50 par value now held by them, being 60% of the total number of shares of capital stock of the Association; and the shareholders of Security shall be entitled to receive 80,000 shares, being 2 shares, each of $12.50 par value, in exchange for each share of $25.00 par value now held by them, being 40% of the total number of shares of capital stock of the Association. The shareholders of First National shall be entitled to receive, above and in addition to the aforementioned capital stock of the Association, a cash payment of Eighty Thousand Dollars ($80,000.00) being Eighty Cents (80¢) per share for each share of First National capital stock now held by them, to become payable to First National shareholders only in the event the consolidation of First National and Security shall be effected under the terms and provisions of this agreement, and then at the time and in the manner hereinafter provided. Such exchange and cash payment shall be [1029] handled as follows:

Upon the presentation and surrender by the shareholders of the Consolidating Banks of certificates representing shares

of the capital stock owned or held by them in the Consolidating Banks, the Association shall, within a reasonable time after the effective date of consolidation, issue to each stockholder entitled thereto, or to his order, a certificate representing the whole number of shares to which each stockholder is entitled hereunder, and in addition thereto the Association shall pay to each of the shareholders of First National the sum of Eighty Cents (80¢) per share for each share owned or held by such shareholder upon presentation and surrender thereof to the Association.

No fractional shares of Association will be issued to any shareholder of First National, but a certificate or certificates of Association representing the aggregate of the fractional shares to which the shareholders of First National are entitled shall be delivered by the Association to a committee of First National shareholders to be appointed by the Board of Directors of First National prior to the effective date of consolidation.

The committee of First National shareholders established for such purpose shall act as agent for each shareholder of First National entitled to a fractional share interest in purchasing for the account of such shareholder the additional fractional share interest required, with the fractional interest owned by him, to make up one full share or in selling the shareholder's fractional share interest and remitting the proceeds [1030] to the shareholder in accordance with the directions given to the committee by such shareholder; provided, that if instructions regarding the purchase or sale of fractional share interests have not been received within one hundred and twenty (120) days after the effective date of consolidation, such fractional share interest may be sold by the committee at not less than the market value on the date of sale, and the proceeds thereof will be held for the First National shareholder entitled thereto.

The shareholders of the Consolidating Banks shall be requested to deliver their shares to the Association for conversion to the stock of the Association in the manner herein stated, and to instruct the committee for First National stockholders as to the manner in which fractional share interests are to be handled by the committee.

In the event a shareholder fails to present a certificate or certificates representing the shares in the Consolidating Banks for exchange as hereinbefore provided, the number of whole shares to which such shareholder is entitled under this agreement shall be set aside and held for him by the Association until such time as he shall present the certificate or certificates representing his shares to the Association for conversion into whole share certificates.

SECTION 7

Neither of the Consolidating Banks shall declare nor pay any dividend to its shareholders between the date of this agreement and the time at which [1031] the consolidation shall become effective, nor dispose of any of its assets in any other manner except in the normal course of business and for adequate value, except that First National shall pay a cash dividend on January 3, 1961, of $65,000.00, being Sixty-Five Cents (65¢) per share of stock now held by them, and that Security shall pay a cash dividend on January 3, 1961, of $32,000.00, being Eighty Cents (80¢) per share of stock now held by them; provided, however, that nothing herein contained shall be construed as limiting or prohibiting the payment of Eighty Thousand Dollars ($80,000.00) to shareholders of First National as authorized and directed in Section 6.

SECTION 8

The following named persons shall constitute the original Board of Directors of the Association, to serve until the next annual meeting of its shareholders and until such time as their successors have been elected and qualify:

David Ades
Dan D. Brock
William H. Courtney
Leonard G. Cox, Jr.
Edward S. Dabney
W. Rodes Estill
Louis E. Hillenmeyer

Walter W. Hillenmeyer, Jr.
Fraser D. LeBus, Jr.
William E. Lehman
Leroy M. Miles
John C. Nichols
Salem A. Wallace
J. Stephen Watkins
F. H. Wright

The following named persons shall be appointed at the first meeting of the Board of Directors of the Association to serve as Advisory Directors until the next annual meeting of the Board of Directors or until such time as their successors shall have been appointed:

Homer Drew
Dan S. Estill
J. Douglas Gay, Jr.
Louis Lee Haggin II
Hal Price Headley
Harry J. Huether
Paul M. Justice
Edwin V. Mack
W. Emmet Milward
Gayle A. Mohney
Gilmore N. Nunn
S. Headley Shouse
J. Robert Smith
Barckley A. Storey
Dwight G. Tenney
R. G. Vallandingham
Clair F. Vough
Fred R. Wachs
George S. Wiedemann, Jr.
William T. Young

[1032] SECTION 9

Effective as of the time this consolidation shall become effective, as specified in the "Certificate of Approval" to be issued by the Comptroller of the Currency, the articles of association of the Association shall read in their entirety as set forth in Exhibit A annexed hereto.

SECTION 10

It is the intent of this agreement to effect a tax-free reorganization under Section 368 of the Internal Revenue Code through the process of consolidation of First National and Security under the Charter of First National as amended pursuant to the provisions of Title 12 U.S. Code, Section 215, and KRS 287.173, and this agreement contemplates a genuine corporate reorganization designed to effect a readjustment of continuing interests under a modified corporate form.

This agreement may be amended to comply with the requirements of the Comptroller of the Currency of the United States and in other respects which in the opinion of counsel do not effect substantial changes in the agreement with the concurrence and approval of the Boards of Directors of the Consolidating Banks.

At any time prior to ratification and confirmation of this agreement by the shareholders of the Consolidating Banks as hereinafter provided, the Board of Directors of either Consolidating Bank, without action or approval of the shareholders of either Consolidating Bank, may abandon the consolidation and in such event this joint agreement shall thereupon be null and void. If this agreement shall become null and void pursuant to the foregoing provisions, there shall be no liability on the part of either of the Consolidating Banks, their Directors or shareholders, by reason thereof.

[1033] SECTION 11

This agreement shall be ratified and confirmed by the affirmative vote of the shareholders of each of the Consolidating

Banks owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the Directors; and the consolidation shall become effective at the time specified in a certificate to be issued by the Comptroller of the Currency of the United States, under the seal of his office, approving the consolidation.

WITNESS the signatures and seals of said Consolidating Banks this 3rd day of December, 1960, each hereunto set by its President and attested by its Cashier or Secretary, pursuant to a resolution of its Board of Directors, acting by a majority thereof, and witness the signatures hereto of a majority of each of said Boards of Directors.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON,
By LEROY MILES, *President*.

Attest:

JAMES H. ROBINSON, JR.,
Cashier.

SECURITY TRUST COMPANY,
By E. S. DABNEY, *President*.

Attest:

HARRY B. GLASS,
Secretary.

William E. Lehman, Walter W. Hillenmeyer, Jr., LeRoy Miles, [1034] D. D. Brock, Frazer D. Le Bus, Jr., William H. Courtney, John C. Nichols, W. R. Estil, David Ades, Directors of First National Bank and Trust Company of Lexington.

J. S. Watkins, H. L. Drew, Leonard G. Cox, Jr., R. G. Vallandingham, F. H. Wright, Fred B. Wachs, S. A. Wallace, George S. Wiedemann, Jr., W. Emmet Milward, D. G. Tenney, Harry J. Huether, J. R. Smith, Louis E. Hillenmeyer, C. F. Vough, Directors of Security Trust Company.

County of Fayette, ss:

On this day of December, 1960, before me, a Notary Public for the State and County aforesaid, personally came LeRoy Miles, as President, and James M. Robinson, Jr., as

Cashier, of First National Bank and Trust Company of Lexington, and each in his said capacity acknowledged the foregoing instrument to be the act and deed of said association and the seal affixed thereto to be its seal; and came also William E. Lehman, Walter W. Hillenmeyer, Jr., LeRoy Miles, D. D. Brock, Fraser D. LeBus, Jr., William H. Courtney, John C. Nichols, W. R. Estill, David Ades, being a majority of the Board of Directors of said association, and each of them acknowledged said instrument to be the act and deed of said association and of himself as a director thereof.

WITNESS my official seal and signature this day and year aforesaid.

.....

Notary Public, Fayette County.

My commission expires November 9, 1962.

[1036] STATE OF KENTUCKY,
County of Fayette, ss:

The undersigned, R. L. Tolliver, a Notary Public for the State and County aforesaid, hereby certifies that on or as of the 3rd day of December, 1960, before me, personally came E. S. Dabney, as President, and Harry B. Glass, as Secretary, of Security Trust Company of Lexington, Kentucky, and each in his said capacity acknowledged the foregoing instrument to be the act and deed of said Security Trust Company and the seal affixed thereto to be its seal; and came also J. S. Watkins, H. L. Drew, Leonard G. Cox, Jr., R. G. Vallandingham, F. H. Wright, Fred B. Wachs, S. A. Wallace, George S. Wiedemann, Jr., W. Emmet Milward, D. G. Tenney, Harry J. Huether, J. Robt. Smith, Louis E. Hillenmeyer, C. F. Vough, being a majority of the Board of Directors of said Security Trust Company, and each of them acknowledged said instrument to be the act and deed of said Security Trust Company and of himself as a director thereof.

WITNESS my official seal and signature as of the day and year aforesaid.

.....

Notary Public, Fayette County, Kentucky.

My commission expires July 13, 1962.

[1037] EXHIBIT "A"

ARTICLES OF ASSOCIATION OF FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON

FIRST. The title of this Association shall be "First Security National Bank and Trust Company of Lexington."

SECOND. The main office shall be in Lexington, Fayette County, Kentucky. The general business of the Association shall be conducted at its main office and its legally established branches.

THIRD. The Board of Directors of this Association shall consist of not less than five nor more than twenty-five shareholders. At any meeting of the shareholders held for the purpose of electing Directors, or changing the number thereof, the number of Directors may be determined by a majority of the votes cast by the shareholders in person or by proxy. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business at any Directors' meeting.

FOURTH. The regular annual meeting of the shareholders of this association shall be held at its main banking house, or other convenient place duly authorized by the Board of Directors, on the second Tuesday of January of each year, or on the next succeeding business day if the day fixed falls on a legal holiday, at which meeting a Board of Directors shall be elected; but, if no such election is held as provided, it may be held at any regular adjournment of the annual meeting or at a subsequent special meeting held within 60 days as provided by the laws of the United States.

FIFTH. The amount of capital stock of this Association shall be Two Million, Five Hundred Thousand Dollars ($2,500,000.00), divided into 200,000 shares of common stock of the par value of Twelve Dollars and Fifty Cents ($12.50) each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of the laws of the United States.

If the capital stock is increased by the sale of additional shares thereof, each shareholder shall be entitled to subscribe for such additional shares in proportion to the number of shares

of said capital stock owned by him at the time the increase is authorized by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorised. The Board of Directors shall have the power to prescribe a reasonable period of time within which the preemptive rights to subscribe to the new shares of capital stock must be exercised.

[1038] If the capital stock is increased by a stock dividend, each shareholder shall be entitled to his proportionate amount of such increase in accordance with the number of shares of capital stock owned by him at the time the increase is authorised by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorized.

SIXTH. The Board of Directors shall appoint one of its members President and one of its members as Chairman of the Board. In the absence of the President, the Chairman of the Board shall perform all acts and duties pertinent to the office of the President except such as the President only is authorised by law to perform; and, in the absence of the Chairman of the Board, the President shall perform all acts and duties which the Chairman is authorised to perform.

The Board of Directors, in its discretion, shall have the power to appoint an Executive Vice President, who may be, but is not required to be, a member of the Board; to appoint one or more Vice Presidents; to appoint a Cashier and such other officers as may be required to transact the business of this Association; to fix the salaries to be paid to all officers and employees of this Association and to dismiss such officers or employees, or any of them, and appoint others to take their place.

An Executive Committee shall be appointed by and from the Board of Directors in such manner and subject to such regulations as may be provided in the by-laws, which committee shall have any may exercise all of the powers of said Board when the Board is not in session except such powers as by law the Board alone is authorised to exercise, and subject to such

limitations as may be provided in the by-laws or by resolution of the Board of Directors.

The Board of Directors shall have the power to define the duties of officers and employees of this Association and to require adequate bonds from them for the faithful performance of their duties; to make all by-laws that may be lawful for the general regulation of the business of this Association and the management of its affairs, and generally to do and perform all acts that may be lawful for the Board of Directors to do and perform.

Any person may be indemnified or reimbursed by the Association for reasonable expenses actually incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a director, officer or employee of this Association; Provided, however, that no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding in which he shall finally be adjudged to have been negligent in the performance of his duties or to have committed an act or failed to perform a duty for which there is a common-law or a statutory liability; And provided further that no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding [1039] which has been made the subject of a compromise settlement, except with the approval of the holders of record of a majority of the outstanding shares of this Association. The foregoing right of indemnification or reimbursement shall not be exclusive of all other rights to which such person may be entitled as a matter of law.

The Board of Directors shall have the power to change the location of the main office of this Association to any other place within the limits of the City of Lexington, Fayette County, Kentucky, without the approval of the shareholders of this Association, but subject to the approval of the Comptroller of the Currency; and shall have the power to change the location of any branch or branches of this Association to any other location, without the approval of the shareholders of this Association but subject to the approval of the Comptroller of the Currency.

SEVENTH. The corporate existence of this Association shall continue until terminated in accordance with the laws of the United States.

EIGHTH. The Board of Directors of this Association, or any three or more shareholders owning, in the aggregate, not less than ten per centum (10%) of the stock of this Association, may call a special meeting of shareholders at any time.

Unless otherwise provided by the laws of the United States, a notice of the time, place, and purpose of every annual, and every special meeting of the shareholders shall be given by first-class mail, postage prepaid, mailed at least ten (10) days prior to the date of such meeting to each shareholder of record at his address as shown upon the books of this Association.

Subject to the provisions of the laws of the United States, these Articles of Association may be amended at any meeting of the shareholders for which adequate notice has been given, by the affirmative vote of the owners of a majority of the stock of this Association, voting in person or by proxy.

[1040] *In United States District Court*

PLAINTIFF EXHIBIT 26

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, February 27, 1961.
(Address reply to "Comptroller of the Currency").

Re: Proposed consolidation of First National Bank and Trust Company of Lexington, Lexington, Kentucky, and Security Trust Company, Lexington, Kentucky, under the charter of the former and under the title "First Security National Bank and Trust Company of Lexington".

Mr. LAROY M. MILES, *President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.*

DEAR MR. MILES: The Comptroller has now considered the proposed consolidation under the terms of Section 18(c) of the Federal Deposit Insurance Act, and has concluded that it will be in the public interest. Accordingly, he has given his ap-

proval to the proposed consolidation upon the following conditions:

1. That the consolidation will be consummated in accordance with the provisions of Title 12, U.S.C., Section 215, and in accordance with the provisions outlined in our Standard Form of General Instructions.
2. That any assets acquired by reason of the consolidation, which do not conform to legal requirements for national banks, will be made to conform or be eliminated within a reasonable period after the consolidation becomes effective.
3. That the fixed assets to be acquired by reason of the consolidation will not be set up on the books of the consolidated bank in excess of the present carrying value as shown on the books of the Security Trust Company.

Approval is also given to the consolidated bank to continue to operate the present three branches of First National Bank and Trust Company of Lexington, and to establish branches at the location of the head office and present branch of Security Trust Company.

[1041] Please furnish this office the date of the establishment of and the street address of The North Broadway Branch of the Security Trust Company.

It is understood that the effective time of the consolidation will be as of the close of business on the date to be selected by the banks. We should be advised as soon as possible when the effective date has been decided upon.

You are reminded that there should be forwarded to this office as promptly as possible the List of Directors and the Oaths of all Directors of the consolidated bank, as well as a statement of condition of each of the consolidating banks, as shown by its books, immediately prior to the effective time of the consolidation; and a statement of condition of the consolidated bank, as shown by its books, immediately after the effective time of consolidation. Blanks for this purpose are enclosed.

Very truly yours,

REED DOLAN,
Chief National Bank Examiner.

Enclosures.

[1042] *In United States District Court*

PLAINTIFF EXHIBIT 27

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

WASHINGTON, D.C., *February 28, 1961.*

LEROY M. MILES,
President, First Natl. Bank and Trust Co., Lexington, Ky.:

Certificate issued today approving consolidation your Bank and Security Trust Company, Lexington, Kentucky. Effective as of opening of business, March First 1961. Certificates issued covering branches.

R. M. GIDNEY,
Comptroller of the Currency.

[1043] *In United States District Court*

PLAINTIFF EXHIBIT 28

Consolidated Analysis of Deposits Held by All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	98,163	80.91
2. Deposits of United States Government	2,222	1.83
3. Deposits of States and political subdivisions	5,773	4.76
4. Deposits of banks in the United States	7,894	6.36
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	875	.60
7. Total Demand Deposits	107,347	73.23
TIME DEPOSITS		
1. IPC Deposits	36,537	25.16
2. Deposits of United States Government	107	.07
3. Deposits of States and political subdivisions	2,254	1.54
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	38,188	26.77
Total Demand and Time Deposits	146,445	100.00

Source: Report of Condition of Each Bank dated December 31, 1960.

[1044] *In United States District Court*

PLAINTIFF EXHIBIT 29

Analysis of Deposits Held by First National Bank and Trust Company of Lexington, as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	$34,323	58.52
2. Deposits of United States Government	1,035	1.76
3. Deposits of States and political subdivisions	2,664	4.54
4. Deposits of banks in the United States	5,989	10.21
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	414	.70
7. Total Demand Deposits	44,425	75.73
TIME DEPOSITS		
1. IPC Deposits	$12,779	21.78
2. Deposits of United States Government	100	.17
3. Deposits of States and political subdivisions	1,359	2.32
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	14,238	24.27
Total Demand and Time Deposits	$58,673	100.00

Source: Report of Condition of First National Bank and Trust Company of Lexington dated December 31, 1960.

[1045] *In United States District Court*

PLAINTIFF EXHIBIT 60

Analysis of Deposits Held by Security Trust Company as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	$11,898	66.63
2. Deposits of United States Government	238	1.33
3. Deposits of States and political subdivisions	175	1.00
4. Deposits of banks in the United States	10	.06
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	45	.26
7. Total Demand Deposits	*12,115	69.43
TIME DEPOSITS		
1. IPC Deposits	4,112	23.56
2. Deposits of United States Government		
3. Deposits of States and political subdivisions	175	1.00
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	4,287	24.56
Total Demand and Time Deposits	17,402	100.00

* The sum of the items in this column do not add to total due to rounding.

Source: Report of Condition of Security Trust Company dated December 31, 1960.

[1046] *In United States District Court*

PLAINTIFF EXHIBIT 31

Consolidated Analysis of Loans and Discounts of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Amount (thousands)	Percent of total
1. Real estate loans:		
(a) Secured by farm land	$1,[illegible]	1.7
(b) Secured by residential properties, insured by FHA	19	----
(c) Secured by residential properties, insured by VA	[illegible]	6.1
(d) Secured by residential properties, not insured by FHA or VA	13,[illegible]	[illegible]
(e) Secured by nonfarm, nonresidential properties	10,894	12.2
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks	----	----
(b) To other financial institutions	2,[illegible]	2.8
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities	1,549	1.7
(b) Other loans for purchasing or carrying securities	1,772	2.0
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC	[illegible]	----
(b) Other loans to farmers	4,[illegible]	4.8
5. Commercial and industrial loans	23,[illegible]	26.6
6. Loans to individuals for household, family and personal expenses:		
(a) To purchase private passenger auto on instalment basis	10,443	11.7
(b) To purchase other retail consumer goods on instalment	1,[illegible]	2.2
(c) Instalment loans to repair and modernize residential properties	3,[illegible]	4.0
(d) Other instalment loans for HH, family and personal expenses	3,630	4.1
Total instalment loans $19,651 22.1%		
(e) Single-payment loans for HH, family and personal expenses	8,[illegible]	9.7
7. All other loans	1,715	1.9
8. Total loans and Discounts	*[illegible],029	*100.0

*The sum of the items in these columns does not add to the totals due to rounding.

Source: Report of Condition of Each Bank dated December 31, 1960.

[1047] *In United States District Court*

PLAINTIFF EXHIBIT 32

Analysis of Loans and Discounts of First National Bank and Trust Company of Lexington, as of December 31, 1960

	Amount (thousands)	Percent of total
1. Real estate loans:		
(a) Secured by farm land	$389	1.6
(b) Secured by residential properties, insured by FHA		
(c) Secured by residential properties, insured by VA	8	
(d) Secured by residential prop., not insrd. by FHA or VA	2,675	7.8
(e) Secured by nonfarm, nonresidential properties	4,406	12.6
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions	100	0.3
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities	1,060	3.0
(b) Other loans for purchasing or carrying securities		
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	2,138	6.0
5. Commercial and industrial loans	7,360	21.1
6. Loans to individuals for household, family & pers. expen.:		
(a) To purchase pvt. pass. auto on instalment basis	6,716	18.8
(b) To purchase other retail consumer goods on instal	388	1.1
(c) Instal. loans to repair & modernize res. prop	2,619	7.3
(d) Other instal. loans for HH, family & pers. expen	1,053	2.9
Total instalment loans $10,776 30.1%		
(e) Single-payment loans for H.H, family & pers. expen	5,603	15.7
7. All other loans	965	2.7
8. Total Loans and Discounts	*35,749	100.0

*The sum of the items in this column does not add to the total due to rounding.

Source: Report of Condition of First National Bank and Trust Company of Lexington dated December 31, 1960.

[1048] *In United States District Court*

PLAINTIFF EXHIBIT 38

Analysis of Loans and Discounts of Security Trust Company as of December 31, 1960

	Amount (thousands)	Percent of total
1. Real Estate Loans:		
(a) Secured by farm land	8235	1.9
(b) Secured by residential properties, insured by FHA		
(c) Secured by residential properties, insured by VA	41	0.3
(d) Secured by residential prop., not insrd. by FHA or VA	3,455	28.0
(e) Secured by nonfarm, nonresidential properties	1,867	15.1
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions	943	7.6
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities	27	0.2
(b) Other loans for purchasing or carrying securities	80	0.6
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	94	0.8
5. Commercial and industrial loans	3,221	25.9
6. Loans to individuals for household, family & pers. expen.:		
(a) To purchase pvt. pass. auto on instalment basis	601	4.8
(b) To purchase other retail consumer goods on instal.	229	1.8
(c) Instal. loans to repair & modernize res. prop.	564	4.5
(d) Other instal. loans for H.H, family & pers. expen.	414	3.3
Total instalment loans $1,809 14.5%		
(e) Single-payment loans for HH, family & pers. expen.	456	4.5
7. All other loans	81	0.7
8. Total Loans and Discounts	*12,469	100.0

*The sum of the items in this column does not add to the total due to rounding.

Source: Report of Condition of Security Trust Company dated December 31, 1960.

[1049] *In United States District Court*

PLAINTIFF EXHIBIT 34

Analysis of Earnings of First National Bank and Trust Company of Lexington for the Year 1960

	Amount	Percent of Total
Interest and dividends on:		
(1) United States Government obligations	$393,240	12.13
(2) Other securities	48,328	1.54
Interest and discount on loans	2,013,481	63.57
Service charges and other fees on bank's loans	59,518	1.94
Service charges on deposit accounts	126,866	4.55
Other service charges	9,630	.28
Trust department	222,219	7.36
Other current earnings	186,577	5.28
Total	3,060,859	100.00

Source: Report of Earnings and Dividends of the First National Bank and Trust Company of Lexington for 6 and 12 months ended December 31, 1960.

[1050] *In United States District Court*

PLAINTIFF EXHIBIT 35

Trust Business of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

Bank	Number of Trust Accounts	Percent of Total	Total Trust Assets	Percent of Total	Trust Department Earnings for 1960	Percent of Total
First National Bank and Trust Company [1]	370	25.31	$31,107,716.00	44.27	$222,219.11	45.29
Security Trust Company [1]	794	54.31	35,521,857.33	50.55	250,123.80	46.97
First National and Security Trust Combined	1,164	79.62	66,629,303.32	94.82	432,342.91	92.20
Citizens Union National Bank and Trust Company [1]	234	16.01	2,394,989.58	3.41	20,680.11	4.21
Bank of Commerce [2]	33	2.26	305,585.33	.44	14,228.88	2.96
Second National Bank and Trust Company [1]	31	2.12	932,651.42	1.33	3,095.51	.63
Central Bank	0	0	0	0	0	0
Total	1,462	100.00%	$70,262,510.65	100.00%	$490,467.41	100.00%

[1] Trust Department Balance Sheet of each bank dated December 31, 1960.
[2] Letter from James Park to Larry L. Williams dated December 6, 1961.
[3] Statement from Bank of Commerce.

[1051] *In United States District Court*

PLAINTIFF EXHIBIT 36

Analysis of Earnings of Security Trust Company for the Year 1960

	Amount	Percent of Total
Interest and dividends on:		
(1) United States Government obligations	$94,961	7.01
(2) Other securities	68,482	5.07
Interest and discount on loans	770,385	57.35
Service charges and other fees on bank's loans	0	0
Service charges on deposit accounts	30,480	2.25
Other service charges	34,196	2.53
Trust department	230,124	17.00
Other current earnings	116,379	8.59
Total	1,334,067	100.00

Source: Report of Earnings and Dividends—Calendar Year 1960, Security Trust Company.

[1052] *In United States District Court*

PLAINTIFF EXHIBIT 37

Consolidated Balance Sheet of All Savings, Loan and Building Associations in Lexington, Kentucky, as of December 31, 1960

[Amounts in thousands]

Assets		*Liabilities*	
First Mortgage Loans	$37,127	Capital	$38,839
Loans on Savings Accounts	163	Loans in Process	111
Home Improvement Loans	48	Advance from Federal Home Loan Board	125
Investments and Securities	2,692	Taxes	0.4
Cash on Hand and In Banks	1,878	Other Liabilities	75
Office Building and Equipment Less Depreciation	427	Reserves	2,715
Real Estate	34	Surplus	415
Prepaid and Deferred Assets	14	Undivided Profits	101
Total Assets	*42,379	Total Liabilities	*42,379

*The sum of items in the columns does not equal the Total Assets or Total Liabilities due to rounding.

Source: Statement of Condition of each association as of December 31, 1960.

[1053] *In United States District Court*

PLAINTIFF EXHIBIT 38

Form 1928

TREASURY DEPARTMENT

OFFICE OF THE COMPTROLLER OF THE CURRENCY,

November 1950.

APPLICATION OF

Name of Bank, First National Bank & Trust Company; County, Fayette; State, Ky.; Charter No. 906

FOR PERMISSION TO ESTABLISH A BRANCH

COMPTROLLER OF THE CURRENCY,
Washington 25, D.C.

SIR: Application is hereby made for permission to establish a branch of this bank at the following location:

Street Address, Northland Shopping Center, approx. #1200 N. Broadway; City or Town, Lexington (Population 101,000); County, Fayette.

A certified copy of a resolution of the bank's board of directors authorizing the filing of the aforesaid application is enclosed. A current statement of condition of this bank and a copy of the pertinent State statutes reflecting whether a State bank could be authorized to establish a branch in the location applied for are also enclosed.

The area to be served by the proposed branch has an estimated population of 20–25 thousand. The following are the banking units now operating nearest to the location of the proposed branch:

Name of Bank	Head Office or Branch	Street Address	Distance From Location of Proposed Branch
First National Bank & Trust Co.	Head Office	Main & Upper Sts.	1.9 miles.
First National Bank & Trust Co.	Eastland Branch	1301 Winchester Rd.	2.6 miles.
Citizens Union Bank & Trust Co.	Branch	1000 Winchester Rd., under construction.	3.0 miles.

The following is a brief summary of the board's reasons for believing that establishment of the branch would be in the interests of the bank. This branch will be located in a large shopping center situated in a fast growing suburban residential area. The shopping center will be within 1,000 feet of highway on which is located the Typewriter Division of the International Business Machine Corporation as well as other Industries. In the near future this highway will be extended to an area in which such corporations as Square D, Individual Drinking Cup Co., (a subsidiary of the Continental Can Corp.), and Mengel Company are constructing manufacturing plants.

Additional details concerning the proposal may be obtained by communicating with (Name) J. C. Nichols, (Title) President, (Telephone No. 2-2293).

It is understood that the cost of any necessary investigation in relation to the application will be borne by this bank.

J. C. NICHOLS,
President.

Date August 28, 1957.

[1054] AUGUST 29, 1957.

I, J. F. Liston, Cashier and Secretary of the Board of Directors of First National Bank and Trust Company of Lexington, Lexington, Kentucky, do hereby certify the following to be a true and correct excerpt from the minutes of the meeting of the Board of Directors of the First National Bank and Trust Company of Lexington, Lexington, Kentucky, held on August 20, 1957.

"Upon motion made by Mr. W. E. Lehman, seconded by Mr. S. Headley Shouse and carried, approval was given to file application with the Comptroller of the Currency for permission to establish a branch bank in the Northland (North Broadway) Shopping Center."

J. F. LISTON,
Secretary.

[1055] *In United States District Court*

PLAINTIFF EXHIBIT 39

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, November 6, 1957.
(Address reply to "Comptroller of the Currency").

Mr. J. C. NICHOLS,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. NICHOLS: We have approved your application for permission to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky.

This approval is granted with the understanding that the branch will be opened within six months from this date; otherwise, the aforesaid approval shall automatically terminate unless prior thereto the time has been extended by this office. If you find the branch cannot be opened within the specified time you should submit to us, four weeks before the expiration of the six months' period, a written application for an extension of time setting forth the factors causing the delay and justifying such extension.

Please advise this office as soon as conveniently possible of the exact street number of the branch and the popular name by which it will be known. When that information is received and we have been informed of the definite date on which the branch is to open for business, a certificate of the Comptroller of the Currency will be issued authorizing establishment and operation of the branch office. In accordance with our usual practice, the bank will be advised by telegram of the issuance of the certificate.

Very truly yours,

HOLLIS S. HAGGARD,
Chief National Bank Examiner.

[1056] *In United States District Court*

PLAINTIFF EXHIBIT 40

MARCH 20, 1958.

Mr. HOLLIS S. HAGGARD,
Chief National Bank Examiner, Treasury Department, Comptroller of the Currency, Washington 25, D.C.

DEAR MR. HAGGARD: In your letter of November 6, 1957, you approved our application for permission to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky.

This shopping center has been progressing rather slowly, having had some problem with the Zoning Commission. This seems, however, to have been solved and the initial ordinance annexing this shopping center to the city of Lexington was passed effective March 15, 1958. It seems that any objectors must have one month in which to voice their opinions so that it will not become final until April 15.

As a further indication of the fact that it will be a reality I am enclosing a clipping from the Lexington Leader of March 17 indicating that the Kroger Company plans a new store in this center. We have felt that in our area following a Kroger store into a new location makes good sense because they seem to make splendid studies of area possibilities.

Since it will not be possible for us to open before May 6, our Board of Directors at its regular meeting on March 18, directed me to request that an extension for another six months period be granted us.

Your consideration will be very much appreciated.

Yours very truly,

_____,
President.

LMM:AMH

[1057] *In United States District Court*

PLAINTIFF EXHIBIT 41

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, March 25, 1958.
(Address reply to "Comptroller of the Currency").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: We are extending for six months from May 6, 1958, the preliminary approval granted your bank to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky.

It will be appreciated if you will keep us informed of the progress of your plans and furnish us with the information requested in the third paragraph of our letter of November 6, 1957.

Very truly yours,

HOLLIS S. HAGGARD,
Chief National Bank Examiner.

[1058] *In United States District Court*

PLAINTIFF EXHIBIT 42

SEPTEMBER 19, 1958.

Mr. HOLLIS S. HAGGARD,
Chief National Bank Examiner, Treasury Department, Comptroller of the Currency, Washington 25, D.C.

DEAR MR. HAGGARD: In your letter of March 25, 1958, you extended for six months from May 6, 1958 your preliminary approval for us to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky.

Although grading has just recently been started on this project and we have been told that certain named businesses have indicated a definite intent to be tenants, the picture has not

yet completely developed to our satisfaction. We wish to be certain that the leases of good prospective business neighbors have been actually signed.

Since for several reasons, it will be impossible for us to be open for business in this location by November 6, we regretfully request an additional six months extension. We have not changed our thinking concerning this location. It just seems to be prudent banking to request more time to be certain of our tentative decision. We hope that your reply will indicate that you concur.

Yours very truly,

_____,
President.

LMM:AMH

[1059] *In United States District Court*

PLAINTIFF EXHIBIT 43

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, September 22, 1958.
(Address reply to "Comptroller of the Currency.").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: In compliance with your request of September 19, 1958, we are extending for six months from November 6, 1958, the preliminary approval granted your bank to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky.

It will be appreciated if you will keep us informed of the progress of your plans and furnish us with the exact address and popular name by which the branch will be known, when this information is available.

Very truly yours,

HOLLIS S. HAGGARD,
Chief National Bank Examiner.

[1060] *In United States District Court*

PLAINTIFF EXHIBIT 44

FIRST NATIONAL BANK & TRUST CO.,
Lexington, Ky., March 26, 1959.

Mr. HOLLIS S. HAGGARD,
Chief National Bank Examiner, Treasury Department, Comptroller of the Currency, Washington 25, D.C.

DEAR MR. HAGGARD: On May 6 your preliminary approval to establish a branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky, will expire. We have signed a lease for the required space and as indicated in the enclosed letter from the developer, plans are moving along, though more slowly than we had hoped.

Within approximately 90–120 days we hope to move our Eastland Branch from its temporary location into the permanent shopping center. At that time we anticipate moving our temporary small frame branch building from Eastland to Northland.

In view of our continuing definite interest, and the delay which is beyond our control, we request an additional extension beyond May 6.

Yours very truly,

_____,
President.

LMM;AMH

[1061] *In United States District Court.*

PLAINTIFF EXHIBIT 45

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, March 31, 1959
(Address reply to "Comptroller of the Currency").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: The approval granted in office letter of November 6, 1958, to the establishment of a branch by your

bank in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky, has been extended to November 6, 1959. This action is taken on the basis of the information furnished in your letter of March 26, 1959.

The Comptroller's certificate authorizing establishment of the branch will be issued when we have been informed of the definite opening date, the exact address and the popular name for the branch.

Very truly yours,

L. A. JENNINGS,
Deputy Comptroller of the Currency.

[1062] *In United States District Court*

PLAINTIFF EXHIBIT 46

SEPTEMBER 19, 1959.

Mr. HOLLIS S. HAGGARD,
Chief National Bank Examiner, Treasury Department, Comptroller of the Currency, Washington 25 D.C.

DEAR MR. HAGGARD: We are faced with a problem concerning our proposed Northland Branch and would like very much to have your reaction. The branch was initially approved by you on November 6, 1957; has been extended several times; and now the approval expires on November 6, 1959.

Our lease for the location has been signed, as have leases of a considerable number of national and local stores. The area is being graded, but completion of final construction is still sometime away. The developer who is now completing the Eastland Shopping Center where we have a branch, is the same one involved in the Northland Shopping Center. Much of his efforts and financing seem to have been concentrated on Eastland while Northland has been delayed.

We have considered moving to Northland the small temporary frame building which we have been using at Eastland. Unfortunately it would have to be located in an isolated position with very little protection available. This would also necessitate our building a road, a temporary parking area, and making rather expensive sewage and utility connections which would be of no value whatever when we do move into per-

manent quarters. We estimate the total cost to be approximately $5,000.00.

Our Board of Directors has decided that we should, with your approval, wait to occupy the permanent quarters. Although the Security Trust Company has a branch not too far away, it is our feeling that the danger of the isolated location and the cost of temporary occupancy over balance the possible competitive disadvantage.

[1063] Your continued extension is requested. If, however, you feel unable to grant this request, we shall take the necessary steps to move into temporary quarters if you so direct.

Yours very truly,

_____,
President.

LMM:AMH

[1064] *In United States District Court*

PLAINTIFF EXHIBIT 47

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, September 25, 1959.

(Address reply to "Comptroller of the Currency").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: This office will interpose no objection to your plans for awaiting permanent quarters for your Northland Branch and to this end the approval granted in office letter of November 6, 1957, to the establishment of a branch by your bank in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky, has been extended to May 6, 1960. This action has been taken on the basis of the information furnished in your letter of September 19, 1959.

It will be appreciated if you will keep us informed of the progress of your plans.

Very truly yours,

HOLLIS S. HAGGARD,
Chief National Bank Examiner.

[1065] *In United States District Court*

PLAINTIFF EXHIBIT 48

APRIL 5, 1960.

Mr. HOLLIS S. HAGGARD,
Chief National Bank Examiner, Treasury Department, Comptroller of the Currency, Washington 25, D.C.

DEAR MR. HAGGARD: I regret that our proposed Northland Branch continues to be a problem both for us and for you. Your file will show that on September 25, 1959, you extended your permission to May 6, 1960.

An amendment to our original lease provides that construction must commence not later than September 19, 1959, and that the premises must be completed by July 30, 1960. So far, only grading and construction of some concrete footings have taken place. Such construction can move rapidly, however, and I would not be able to say that the July 30 completion date is an impossibility.

The attached clipping from our local paper of February 23, 1960, lists the names of our prospective neighbors. They are just about the same ones which have made our Eastland Branch grow beyond our expectations. For this reason, we are reluctant to give up the Northland location.

In view of this situation, can you see your way clear to let us have another six months extension?

Yours very truly,

_____,
President.

LMM:AMH

[1066] *In United States District Court*

PLAINTIFF EXHIBIT 49

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, April 12, 1960

(Address reply to "Comptroller of the currency").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: The approval granted in office letter of November 6, 1957, to the establishment of your proposed Northland Branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky, has been extended for an additional six months or until November 6, 1960. This action has been taken on the basis of the information furnish in your letter of April 5, 1960.

Please advise when the definite opening date has been decided and furnish us with the exact address, including street number, for the branch.

Very truly yours,

HOLLIS S. HAGGARD,
Chief National Bank Examiner.

[1067] *In United States District Court*

PLAINTIFF EXHIBIT 50

TREASURY DEPARTMENT,
COMPTROLLER OF THE CURRENCY,
Washington 25, November 10, 1960

(Address reply to "Comptroller of the currency").

Mr. LEROY M. MILES,
President, First National Bank and Trust Company of Lexington, Lexington, Kentucky.

DEAR MR. MILES: According to our records our extension until November 6, 1960 to the establishment of your proposed

Northland Branch in the Northland Shopping Center at approximately 1200 North Broadway, Lexington, Kentucky, expired on that day.

Please advise us of the status of your plans for establishing this branch office.

Very truly yours,

T. M. BREZINSKI,
Assistant Chief, Organization Division.

[1068] *In United States District Court*

PLAINTIFF EXHIBIT 51

NOVEMBER 14, 1960.

Mr. T. M. BREZINSKI,
Assistant Chief, Organization Division, Treasury Department, Comptroller of the Currency, Washington 25 D.C.

DEAR MR. BREZINSKI: Fortunately we had an extra copy of our letter of November 5 addressed to Mr. Dolan concerning our Northland Branch. This copy is enclosed because it gives the complete picture.

Part of our thinking in writing that letter on November 5 was based on some consolidation thoughts.

Last Thursday in Washington we talked with Mr. Gidney, Mr. Haggard and Mr. Glisson about the possibility of our consolidating with the Security Trust Company of Lexington. If this could be accomplished we would not need the Northland Branch since Security has one within a quarter of a mile of our proposed location. If on the other hand our application should be disapproved we would certainly like to have a little hold on this location which has as yet not developed as we hoped.

Yours very truly,

_____,
President.

LMM:AMH

[1069] *In United States District Court*

PLAINTIFF EXHIBIT 52

NOVEMBER 5, 1960.

Mr. REED DOLAN,
Chief National Bank Examiner, Office of the Comptroller of the Currency, Room 3312 Treasury Building, Washington 25 D.C.

DEAR MR. DOLAN: In a letter dated April 12, 1960, Mr. Hollis Haggard, your predecessor in office, granted us an extension until November 6, 1960, of permission to establish our proposed Northland Branch in the Northland Shopping Center at approximately 1200 North Broadway in Lexington, Kentucky.

The construction and development of this shopping center has not progressed as we anticipated that it would, so that we can no longer conscientiously request any further extension.

Since we feel that this location still does have considerable merit as a prospective branch site for our bank, we are naturally reluctant to give up our present permission. I would hope that there might be some way to indicate our interest in that area should the shopping center become a reality. We would dislike having a competitor use this location later after we had been forced to give it up at this time.

Let me thank you again for the very great consideration which your office has already given us in this matter.

Yours very truly,

_____,
President.

LMM:AMH

[1070] *In United States District Court*

PLAINTIFF EXHIBIT 53

Analysis By Size of Loans (Except Instalment Loans) Made By First National and Security Trust During the Year 1960

Size of Loan	Number of Loans and Percent of Total			
	First National		Security Trust	
	Number	Percent	Number	Percent
Less than $25,000	8,535	97.37	1,242	94.23
$25,000 to $49,999	126	1.44	45	3.43
50,000 to 99,999	51	.58	21	1.59
100,000 to 149,999	21	.24	4	.30
150,000 to 199,999	5	.06	1	.08
200,000 to 224,999	6	.07	2	.15
225,000 to 249,999	1	.01	0	.00
250,000 and over	20	.23	3	.23
Total	8,765	100.00	1,318	100.00

Source: Defendants' Answer to Plaintiff's Interrogatory Number 27.

[1071] *In United States District Court*

PLAINTIFF EXHIBIT 54

Total Commercial and Industrial Loans of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Commercial & Industrial Loans (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$7,560	31.95
Security Trust Company	3,231	13.66
First National Bank and Security Trust Combined	10,791	45.61
Citizens Union National Bank and Trust Company	6,115	25.85
Bank of Commerce	6,171	26.08
Central Bank	0	0
Second National Bank and Trust Company	583	2.46
Total	$23,660	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1072] *In United States District Court*

PLAINTIFF EXHIBIT 55

Total Real Estate Loans of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Real Estate Loans (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$7,848	29.06
Security Trust Company	5,648	21.74
First National and Security Trust Combined	13,196	50.80
Citizens Union National Bank and Trust Company	3,484	13.41
Bank of Commerce	5,748	22.13
Central Bank	1,434	5.48
Second National Bank and Trust Company	2,134	8.18
Total	$25,976	100.00

Source: Report of Condition of each bank dated December 31, 1960

[1073] *In United States District Court*

PLAINTIFF EXHIBIT 56

Total Single-payment Loans to Individuals For Household, Family, and Other Personal Expenditures of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Single-Payment Loans To Individuals For Household, Family and other Personal Expenditures (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$3,803	64.79
Security Trust Company	456	6.42
First National Bank and Security Trust Combined	6,159	71.22
Citizens Union National Bank and Trust Company	0	0
Bank of Commerce	142	1.64
Central Bank	1,208	13.97
Second National Bank and Trust Company	1,139	13.17
Total	$8,648	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1074] *In United States District Court*

PLAINTIFF EXHIBIT 57

Total Loans to Individuals On Instalment Basis For Household, Family and Other Personal Expenditures of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Loans To Individuals (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$10,775	54.54
Security Trust Company	1,808	9.20
First National and Security Trust Combined	12,583	64.04
Citizens Union National Bank and Trust Co.	3,489	17.76
Bank of Commerce	694	3.53
Central Bank	2,661	13.54
Second National Bank and Trust Company	262	1.34
Total	19,649	100.00

Source: Report of Condition of Each Bank Dated December 31, 1960.

[1075] *In United States District Court*

PLAINTIFF EXHIBIT 58

Total Real Estate Loans Secured by Non-farm Nonresidential Properties of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Real Estate Loans Secured By Non-farm Nonresidential Properties (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$4,496	41.30
Security Trust Company	1,867	17.37
First National Bank and Security Trust Combined	6,363	58.76
Citizens Union National Bank and Trust Company	1,879	17.39
Bank of Commerce	1,731	15.94
Central Bank	203	1.87
Second National Bank and Trust Co.	678	6.34
Total	$10,863	100.00

Source: Report of Condition of Each Bank as of December 31, 1960.

[1076] *In United States District Court*

PLAINTIFF EXHIBIT 59

Total Demand Deposits of All Commercial Banks in Fayette County, Kentucky as of December 31, 1960

	Total Demand Deposits (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$44,435	41.43
Security Trust Company	12,115	11.30
First National and Security Trust Combined	56,550	52.73
Citizens Union National Bank and Trust Company	18,389	17.15
Bank of Commerce	14,033	13.08
Central Bank	10,829	10.10
Second National Bank and Trust Company	7,447	6.94
	$107,247	

Source: Report of Condition of each bank dated December 31, 1960.

[1077] *In United States District Court*

PLAINTIFF EXHIBIT 60

Total Time Deposits of Individuals, Partnerships and Corporations in All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total IPC Time Deposits (thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$12,779	34.69
Security Trust Company	5,112	13.88
First National and Security Trust Combined	17,891	48.57
Citizens Union National Bank and Trust Company	6,047	16.42
Bank of Commerce	5,292	14.37
Central Bank	2,946	8.00
Second National Bank and Trust Company	4,660	12.65
Total	$36,836	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1078] *In United States District Court*

PLAINTIFF EXHIBIT 61

Total Time Deposits of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total Time Deposits (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$14,228	36.32
Security Trust Company	5,287	13.49
First National and Security Trust Combined	19,535	49.81
Citizens Union National Bank and Trust Company	6,179	15.76
Bank of Commerce	5,457	13.96
Central Bank	3,316	8.46
Second National Bank and Trust Company	4,710	12.02
Total	$39,197	100.00

Source: Report of condition of each bank dated December 31, 1960.

[1079] *In United States District Court*

PLAINTIFF EXHIBIT 62—SUBSTITUTED

Percentage of Property in the Area of Lexington, Kentucky, which includes Main Street from Spring Street to the vicinity of Rose Street listed by the City Assessor's Office in the Name of the Trust Department of the First National Bank and Trust Company of Lexington and the Security Trust Company, as of December 15, 1961

	Number of Properties	Percent of Total	Assessed Value of Properties	Percent of Total
Total	128	100.0	$11,048,866	100.0
Property Listed in Name of Trust Department of—				
First National	16	12.5	1,467,900	13.3
Security Trust	31	24.2	1,758,775	15.9
Total for Both Banks	4	36.7	3,226,675	29.2

Source: Individual Property Record Cards Located in the Office of the Assessor, City of Lexington.

[1080] *In United States District Court*

PLAINTIFF EXHIBIT 63

Number of Banking Offices of Commercial Banks in Fayette County, Kentucky, as of December 1, 1960

	Banking Offices In Operation	Percent of Total	Banking Offices in Operation and Applied For	Percent of Total
First National Bank and Trust Company of Lexington	4	26.67	4	23.53
Security Trust Company	2	13.33	4	23.53
First National Bank and Trust and Security Trust Company Combined	6	40.00	8	47.06
Citizens Union National Bank and Trust Company	4	26.67	4	23.53
Bank of Commerce	3	20.00	3	17.65
Second National Bank and Trust Co.	1	6.67	1	5.88
Central Bank	1	6.67	1	5.88
Total	15	100.01	17	100.00

Source: Application for Approval to Consolidate filed with Comptroller of the Currency by First National Bank and Trust Company of Lexington and Security Trust Company dated December 1, 1960, pp. 15 and 16.

[1081] *In United States District Court*

PLAINTIFF EXHIBIT 64

Total Instalment Loans to Individuals to Repair and Modernize Residential Property of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Loans (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$2,619	72.67
Security Trust Company	504	13.64
First National and Security Trust Combined	3,123	86.32
Citizens Union National Bank and Trust Co.	406	11.27
Bank of Commerce	0	0
Second National Bank and Trust Company	0	0
Central Bank	15	.41
Total	$3,604	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1082] *In United States District Court*

PLAINTIFF EXHIBIT 65

In the year 1960 the First National Bank and Trust Company, Lexington, Kentucky, made a total of 138 mortgage loans for a dollar total of $1,967,269.20. Classification as follows:

Residential	101 loans	Totaling	$886,900.00
Two or more families	3 loans	Totaling	27,000.00
Farm	2 loans	Totaling	11,000.00
Business (including churches, commercial)	32 loans	Totaling	1,042,369.20
	138	Total	1,967,269.20

Broken down as to maturities, the above 138 mortgage notes are listed below with the true amortized maturity* in parenthesis.

Under 1 year maturity	9	Totaling	139,000.00
One year	7	Totaling	68,300.00
One year (10)	1	Totaling	19,000.00
One year (20)	1	Totaling	10,000.00
Two years	2	Totaling	4,000.00
Three years	4	Totaling	43,100.00
Four years	8	Totaling	69,850.00
Five years	18	Totaling	122,000.00
Five years (6)	1	Totaling	15,000.00
Five years (7)	2	Totaling	12,500.00
Five years (8)	2	Totaling	41,000.00
Five years (10)	21	Totaling	204,950.00
Five years (12)	3	Totaling	71,518.32
Five years (13)	2	Totaling	89,850.88
Five years (14)	1	Totaling	1,000.00
Five years (15)	32	Totaling	434,900.00
Five years (20)	3	Totaling	66,200.00
Six years	1	Totaling	7,500.00
Seven years	5	Totaling	63,300.00
Eight years	5	Totaling	230,000.00
Nine years	1	Totaling	1,500.00
Ten years	7	Totaling	157,800.00
Fifteen years	2	Totaling	95,000.00
	138	Total	1,967,269.20

*You will note above that a majority of our real estate Mortgage loans show a maturity of five years. When this question has been raised by an applicant in all instapces he has been told that at maturity this note will most likely be renewed if the terms as outlined on the face of the note have been met.

[1083] The figures below show that on these certain dates First National Bank and Trust Company had a dollar volume of mortgage loans outstanding as follows:

Date:	
July 10, 1957	$3,809,277.04
November 21, 1958	4,847,479.54
July 15, 1959	6,190,813.51
November 14, 1960	6,451,109.72

Interest was charged on 138 notes as follows:

4¾%	on	1 note
5%	on	4 notes
5¼%	on	2 notes
5½%	on	16 notes
5¾%	on	10 notes
6%	on	105 notes

Although construction loans are not considered to be loans secured by real estate, we feel that it should be mentioned here in connection with the data on real estate mortgages as this kind of financing is so important in a growing community. In 1960 First National Bank & Trust Company made 169 construction loans totaling $2,598,968.00.

[1084] In the year 1960, the Security Trust Company, Lexington, Kentucky, made a total of 86 mortgage loans for a dollar total of $1,410,852.23. Classification as follows:

Residential	42 loans	Totaling	$402,323.14
Farm	10 loans	Totaling	121,938.85
Business (including church, commercial).	34 loans	Totaling	886,590.24
	86	Total	$1,410,852.23

Broken down as to maturities, the above 86 mortgage loans are listed below with the true amortized maturity in parenthesis.

Under 1 year maturity	12	Totaling	260, 804. 30
One year	7	Totaling	31, 000. 00
Two years	6	Totaling	26, 400. 00
Three years	4	Totaling	8, 800. 00
Four years	1	Totaling	800. 00
Five years	5	Totaling	79, 500. 00
Five years (9)	1	Totaling	4, 200. 00
Five years (10)	1	Totaling	11, 000. 00
Five years (12)	1	Totaling	200, 000. 00
Six years	3	Totaling	16, 538. 85
Six years (7)	7	Totaling	6, 500. 00
Six years (14)	1	Totaling	6, 500. 00
Seven years	2	Totaling	38, 500. 00
Seven years (10)	1	Totaling	13, 500. 00
Eight years	4	Totaling	142, 155. 81
Eight years (12)	1	Totaling	8, 000. 00
Eight years (15)	1	Totaling	10, 000. 00
Nine years	2	Totaling	10, 500. 00
Ten years	15	Totaling	172, 700. 00
Ten years (11)	1	Totaling	15, 000. 00
Ten years (12)	5	Totaling	79, 694. 33
Ten years (13)	2	Totaling	32, 000. 00
Ten years (15)	3	Totaling	57, 500. 00
Ten years (17)	1	Totaling	35, 000. 00
Ten years (18)	2	Totaling	38, 000. 00
Ten years (20)	1	Totaling	14, 000. 00
Fifteen years	1	Totaling	26, 250. 00
Demand	5	Totaling	66, 008. 94
	86	Total	81, 410, 852. 23

Interest was charged on the above mentioned loans:

5% on 6 notes
5½% on 14 notes
5¾% on 1 note
6% on 65 notes

[1085] *In United States District Court*

PLAINTIFF EXHIBIT 66

JANUARY 4, 1962.

LL:LLW
60-111-148

Re: United States v. First National Bank & Trust Company of Lexington, et al.

THE LOUISVILLE TRUST COMPANY,
Louisville, Kentucky.

GENTLEMEN: On March 1, 1961, the Department of Justice filed a civil action in the Eastern District of Kentucky at Lexington charging that the merger of the First National Bank and Trust Company of Lexington with the Security Trust Company violates Sections 1 and 2 of the Sherman Antitrust Act.

In order to assist the court in delineating the geographic area within which the effects of the merger should be measured we believe that certain statistical information concerning the extent of banking business done in Fayette County, Kentucky, by banks located in other areas may be of value.

We therefore ask your cooperation in supplying to us, at your earliest convenience, the following information concerning your bank's demand deposits, commercial and industrial loans, and trust accounts as of December 31, 1960, or, if more convenient, any other recent date:

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations;

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County;

(3) The outstanding number and dollar value of commercial and industrial loans;

[1086] (4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County. Please indicate what portion of these figures results from loans which were originated by banks

located in Fayette County and in which you shared as a participant;

(5) The total number and carrying value of trust accounts;

(6) The number and carrying value of trust accounts which originate in Fayette County.

If you have any questions concerning this matter, please feel free to call upon us.

Your cooperation will be greatly appreciated.

Sincerely yours,

LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division.
By LARRY L. WILLIAMS,
Chief, Special Trial Section.

[1087] *In United States District Court*

PLAINTIFF EXHIBIT 67

[60-111-148—22—Department of Justice, Jan. 22, 1962, Records Branch, Antitrust—Record—M.M.P.]

THE FIFTH THIRD UNION TRUST CO.,
Cincinnati 1, Ohio, January 18, 1962
(G. Carlton Hill, President).

Re: LL:LLW 60-111-148

ANTITRUST DIVISION,
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: In reply to your request for statistical data pertaining to our business in Fayette County, Kentucky, we have prepared the following as of December 31, 1961:

(1) Demand deposits of individuals, partnerships and corporations:

Number of accounts—67,567
Total deposits—$222,646,245.00

(2) Demand deposits of individuals, partnerships and corporations in Fayette County:

Number of accounts—4
Total deposits—$812,000.00

(3) Commercial and industrial loans:
Number—597
Total—$87,430,895.00

(4) Commercial and industrial loans in Fayette County (no participation loans):
Number—3
Total—$602,000.00

[1088] THE FIFTH THIRD UNION TRUST CO.,
Cincinnati, Ohio.

ANTITRUST DIVISION,
UNITED STATES DEPARTMENT OF JUSTICE,
January 18, 1962
(Page 2).

(5) Carrying value of trust accounts:
Number—2,500
Value—$298,000,000.00

(6) Carrying value of trust accounts, Fayette County:
Number—1
Value—$1,000,000.00

With regard to part 2 and part 4, it should be pointed out that several companies and individuals in Fayette County including Young Company, Inc., Wm. T. Young, Kentucky Finance Company, Lexington Distributing Company, Inc., and Kentucky Utilities have borrowed in substantial amounts previously to the date used to prepare the above data.

Very truly yours,

G. CARLTON HILL, *President.*

DCR,Jr:jag

[1089] *In United States District Court*

PLAINTIFF EXHIBIT 68

FARMERS BANK & CAPITAL TRUST COMPANY,
Frankfort, Kentucky, December 27, 1961
(Pat Sullivan, President).

Mr. Lee Loevinger,
Assistant Attorney General, Antitrust Division, United States Department of Justice, Washington, D.C.

DEAR MR. LOEVINGER: We furnish the information listed below at the request of the Justice Department, but we do not

wish our action in providing this information to be construed as opposition to the merger in question.

As of December 31, 1960, our totals were:

(1) Demand deposits, approximately 12,000, $12,518,-621.61.

(2) Loans, approximately 6,000, $8,561,137.42.

(3) Trust accounts, approximately 175, $2,061,437.25.

In Fayette County, we have one commercial account with a balance, as of December 31, 1960, of approximately $4,000. On that same date, we had one commercial loan in Fayette County with a balance of approximately $15,750.00. We have no trust accounts in Fayette County.

We have one Branch in Scott County which adjoins Fayette County. Some customers at our Branch have rural route numbers, which indicate they may possibly live in Fayette County. We cannot be positive on these but the number and amount would be negligible.

Yours very truly,

PAT SULLIVAN, *President.*

PS:by

[60-111-148—22—Department of Justice, Dec. 29, 1961, Records Branch]

[1090] *In United States District Court*

PLAINTIFF EXHIBIT 69

MADISON NATIONAL BANK,
ORGANIZED 1870—CHARTER No. 1790,
Richmond, Kentucky, Jan. 8, 1962,

Re: United States v. First National Bank & Trust Company of Lexington et al.

LL:LLW
60-111-148

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: You will find enclosed our condensed statement of condition for Dec. 30, 1961.

In reply to your questions we feel that the amount of business that we do with individuals, partnerships and corporations located in Fayette County is negligible.

It is also our feeling that central Kentucky as a section would be highly benefited by having a larger Bank.

Sincerely yours

CAPERTON BURNAM, *Vice Pres.*

[1091]

MADISON NATIONAL BANK OF RICHMOND

RICHMOND, KENTUCKY

CONDENSED STATEMENT

Officers: Paul Burnam, President; Wm. O'Neil, Cashier and Vice-President; Caperton Burnam, Vice-President; E. D. Gibson, Assistant Cashier

Directors: Paul Burnam, J. M. Baker, Jr., Wm. O'Neil, Russell I. Todd, Julian E. Million, Caperton Burnam

[1092]

MADISON NATIONAL BANK OF RICHMOND,
ORGANIZED 1870, CHARTER No. 17,
Richmond, Kentucky

(Member of Federal Deposit Insurance Corporation).

STATEMENT OF CONDITION

AT CLOSE OF BUSINESS DECEMBER 30, 1961

Resources

Cash and Due from Banks	$2,859,390.14
U.S. Government Securities	2,972,248.67
Other Bonds and Securities	82,548.95
Federal Reserve Bank Stock	16,500.00
Banking Houses	92,207.80
Furniture and Fixtures	17,556.42
Other Real Estate	4,878.94
Loans and Discounts	4,386,168.75
Other Assets	89,954.95
Totals	$10,451,454.62

Liabilities

Deposits:	
Demand	$7,067,512.21
Time	2,568,370.83
	9,635,882.54
Reserved for taxes	71,606.23
Capital	125,000.00
Surplus	475,000.00
Undivided Profits	143,965.85
	743,965.85
Totals	$10,451,454.62

We Sell All Series U.S. Savings Bonds

TRUST DEPARTMENT

Affording every Trust Service, Acts as Executor, Administrator, Trustee, Guardian, Committee, and Custodian of Securities.

COMMERCIAL DEPARTMENT

Equipped to handle every class of Commercial Banking. New accounts solicited.

SAFE DEPOSIT DEPARTMENT

Safe Deposit Boxes in our modern concrete and steel, steel-lined vault, sizes to suit every need. Reasonable rentals.

Completely Equipped To Serve You

[1093] *In United States District Court*

PLAINTIFF EXHIBIT 70

UNITED STATES DEPARTMENT OF JUSTICE

Washington, D.C., January 4, 1962

(Address Reply to the Division Indicated and Refer to Initials and Number—LL:LLW, 60-111-148).

Re: United States v. First National Bank & Trust Company of Lexington, et al.

Peoples Deposit Bank & Trust Company, *Paris, Kentucky.*

GENTLEMEN: On March 1, 1961, the Department of Justice filed a civil action in the Eastern District of Kentucky at Lex-

ington charging that the merger of the First National Bank and Trust Company of Lexington with the Security Trust Company violates Sections 1 and 2 of the Sherman Antitrust Act.

In order to assist the court in delineating the geographic area within which the effects of the merger should be measured we believe that certain statistical information concerning the extent of banking business done in Fayette County, Kentucky, by banks located in other areas may be of value.

We therefore ask your cooperation in supplying to us, at your earliest convenience, the following information concerning your bank's demand deposits, commercial and industrial loans, and trust accounts as of December 31, 1960, or, if more convenient, any other recent date:

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations; [$4,699,876.53—3500]

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County; [Approx. $50,000—20]

(3) The outstanding number and dollar value of commercial and industrial loans; [2,025,394.05—650]

[1094] (4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County; [2—$53,700]

(5) The total number and carrying value of trust accounts; [35—$166,401]

(6) The number and carrying value of trust accounts which originate in Fayette County. [None]

If you have any questions concerning this matter, please feel free to call upon us.

Your cooperation will be greatly appreciated.

Sincerely yours,

LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division.

By LARRY L. WILLIAMS,
LARRY L. WILLIAMS,
Chief, Special Trial Section.

[1097] *In United States District Court*

PLAINTIFF EXHIBIT 71

[60-111-148—22—Department of Justice, Jan. 12, 1962, Records Branch—Record]

THE SOUTHERN OHIO NATIONAL BANK,

Cincinnati 2, Ohio, January 10, 1962
Paul B. Momberg, Vice President.

Re: LL:LLW, 60-111-148

Mr. LEE LOEVINGER,
United States Department of Justice,
Washington, D.C.

DEAR MR. LOEVINGER: We have your letter of January 4, 1962 in reference to the United States versus First National Bank and Trust Company of Lexington, and et al.

To the best of our knowledge we transact no business whatsoever in Fayette County, Kentucky.

However, we will send you the other information if you require it.

Very truly yours,

Paul B. Momberg,
PAUL B. MOMBERG.

PBM/jj.

[1098] *In United States District Court*

PLAINTIFF EXHIBIT 72

[60-111-148—22—Department of Justice, Jan. 12, 1962, Records Branch—Record]

THE PROVIDENT BANK,

Home Office: Seventh and Vine Streets,
Cincinnati 2, Ohio, CHerry 1-6111, January 10, 1962.
(Edward W. Back, Jr., Asst. Secretary and Treasurer).

Ref: LL:LLW, 60-111-148.
Attention: Mr. Larry L. Williams, Chief, Special Trial Section.

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: In reference to your letter of January 4, 1962 regarding the United States v. First National Bank & Trust Company of Lexington, et al, we have investigated our records and find that we have no demand deposits, loans or trust accounts originating in Fayette County, Kentucky.

We are enclosing a copy of our Report of Condition as of December 31, 1961 for your use if this information will be of any value to you.

Very truly yours,

EDWARD W. BACK, Jr.,
Ass't Sec'y. & Treas.

EWB/bjs.
Encl.

[1095]

GMITCHELL:EAC,
January 16, 1962.

Files:
Mrs. Cooper,
Mr. Williams,
Mr. Spaeth,
Mr. Noble; HOLD LL:LLW, 60-111-148.

Air Mail

Re: United States v. First National Bank and Trust Company of Lexington, et al.

PEOPLES DEPOSIT BANK & TRUST COMPANY,
Box 153, Paris, Kentucky.

GENTLEMEN: This will acknowledge receipt of the information requested from you in our letter of January 4, a copy of which is enclosed.

In order to make the information more adaptable to use in this case, we have prepared a statement, which is also enclosed, containing the requested information. It will be appreciated if this statement is signed by an authorized official and returned to this office as soon as possible.

Since your original response did not indicate the date as to which the information is applicable, it is requested that you insert the proper date in the applicable space on the enclosed statement.

Your previous cooperation is appreciated and we hope that you will give this matter your prompt attention.

Sincerely yours,

LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division.

By LARRY L. WILLIAMS,
Chief, Special Trial Section.

Sent 1/17/1962.

[1096] STATEMENT

The following is an accurate statement of the extent of banking business in the listed categories done in Fayette County, Kentucky, by the Peoples Deposit Bank & Trust Company of Paris, Kentucky, as of Jan. 1, 1962:

(1) Demand Deposit Accounts of Individuals, Partnerships and Corporations:
  (a) Total Number of Accounts: 3500
  (b) Total Dollar Value of Accounts: $4,699,-876.53
  (c) Number of Accounts in which Depositor is Located in Fayette County: 20
  (d) Dollar Value of Accounts in which Depositor is Located in Fayette County: $50,000.

(2) Commercial and Industrial Loans:

(a) Total Number of Loans Outstanding: 650

(b) Total Dollar Value of Loans Outstanding: $2,025,394.05

(c) Number of Loans Outstanding in which Borrower is Located in Fayette County: 2

(d) Dollar Value of Loans Outstanding in which Borrower is Located in Fayette County: $53,700.

(3) Trust Business:

(a) Total Number of Trust Accounts: 35

(b) Total Carrying Value of Trust Accounts: $166,401

(c) Number of Trust Accounts which Originate in Fayette County: 0

(d) Carrying Value of Trust Accounts which Originate in Fayette County: 0

JOE ALLEN,
Signature.
A. C.,
Title.

[1099] Form 64 (State)—Revised January, 1961

MEMBER BANK, FEDERAL RESERVE SYSTEM

Please Read Carefully "Instructions for the Preparation of Report of Condition." Every item and schedule must be filled in. Printed items must not be amended. Amounts which cannot properly be included in the printed items must be entered under "Other assets" or "Other liabilities".

REPORT OF CONDITION OF "THE PROVIDENT BANK" OF CINCINNATI 2, HAMILTON, OHIO, AT THE CLOSE OF BUSINESS ON DECEMBER 31, 1961

State Bank No.

Federal Reserve District No. 4

	Dollars			Cts.	
ASSETS					
1. Cash balances with other banks, and cash items in process of collection (Schedule D, item 7)	30	279	823	00	1
2. United States Government obligations, direct and guaranteed (Schedule B, item 10)	51	000	957	00	2
3. Obligations of States and political subdivisions	16	027	000	00	3
4. Other bonds, notes, and debentures (including None securities of Federal agencies and corporations not guaranteed by U.S.)		200	497	73	4
5. Corporate stocks (including $200,000.00 stock of Federal Reserve Banks)		200	000	00	5
6. Loans and discounts (including $42,702.20 overdrafts * * *	64	700	200	64	6
7. Bank premises owned $2,200,161.43, furniture and fixtures None (Bank premises owned are subject to None * * *	2	200	161	00	7
8. Real estate owned other than bank premises			None		8
9. Investments and other assets indirectly representing bank premises or other real estate			None		9
10. Customers' liability to this bank on acceptances outstanding			None		10
11. Other assets (item 6 of "Other Assets" schedule)		304	128	80	11
12. Total Assets	163	697	875	85	12

	Dollars			Cts.	
LIABILITIES					
12. Demand deposits of individuals, partnerships, and corporations (Schedule E, item 2)	85	980	760	38	12
14. Time and savings deposits of individuals, partnerships, and corporations (Schedule F, item 4)	80	626	276	24	14
15. Deposits of United States Government (including postal savings) (Schedule E, item 4, and Schedule F, item 6)	2	628	884	44	15
16. Deposits of States and political subdivisions (Schedule E, item 5, and Schedule F, item 7)	5	914	625	07	16
17. Deposits of banks (Schedule E, items 6 and 7, and Schedule F, items 8 and 9)			None		17
18. Certified and officers' checks, etc. (Schedule E, item 8)		223	194	85	18
19. Total Deposits (items 12 to 18) ($140,660,200.69)	xxx	xxx	xxx	xx	19
(a) Total demand deposits (item 9 of Schedule E) $ 92,674,434.25	xxx	xxx	xxx	xx	(a)
(b) Total time and savings deposits (item 10 of Schedule F) $ 32,105,276.24	xxx	xxx	xxx	xx	(b)
20. Mortgages or other liens $.....on bank premises and $.....on other real estate			None		20
21. Rediscounts and other liabilities for borrowed money			None		21
22. Acceptances executed by or for account of this bank and outstanding			None		22
23. Other liabilities (item 7 of "Other Liabilities" schedule)	7	206	289	27	23
24. Total Liabilities	133	847	089	96	24
CAPITAL ACCOUNTS					
25. Capital:					
(a) Common stock, total par value $2,500,000.00					
(b) Preferred stock, total par value None, total retirable value $.....	2	500	000	00	25
(c) Capital notes and debentures None:					
26. Surplus	7	500	000	00	26
27. Undivided profits	3	000	975	59	27
28. Reserves (and retirement account for preferred capital):			None		28
29. Total Capital Accounts	13	000	975	59	29
30. Total Liabilities and Capital Accounts	146	847	975	55	30
MEMORANDA					
31. Assets pledged or assigned to secure liabilities and for other purposes (including notes and bills rediscounted and securities sold with agreement to repurchase)					31
32. (a) Loans as shown above are after deduction of valuation reserves of (Schedule A, item 9)		861	787	86	32(a)
Securities as shown above are after deduction of valuation reserves of		712	062	97	(b)
(Must report sub-items 32 (a) and (b), but optional to publish)					

I, Jos. L. Silbereack, Sec'y. & Treas. of the above-named bank do solemnly (swear) (affirm) that this report of condition (including the information below and on the reverse side hereof) is true and correct, to the best of my knowledge and belief.

Correct—Attest: .....,

(Signature of officer authorized to sign report)

Sec'y. & Treas.

....

....

....

Directors.

[PLACE FOR OFFICIAL SEAL TO BE AFFIXED BY OFFICER BEFORE WHOM ACKNOWLEDGED. NOTARY MUST NOT BE AN OFFICER OR DIRECTOR OF THE BANK.]

State of....., County of..., ss:

Sworn to and subscribed before me this..... day of ....., 19.., and I hereby certify that I am not an officer or director of this bank. My commission expires.....

....., Notary Public.

[1100] *In United States District Court*

PLAINTIFF EXHIBIT 78

[60-111-148-22—Department of Justice, Jan. 15, 1962, Records Branch, Anti-Trust—Record]

This Bank Will Do for You Anything a Good Bank Ought To Do

STATE BANK & TRUST COMPANY,
CAPITAL $150,000.00, SURPLUS $300,000.00,
Richmond, Ky., January 12, 1962

(Spears Turley, President-Trust Officer; Verda T. Swaner, Ass't Cashier-Ass't Trust Officer.)

Attention: Mr. Larry L. Williams, Chief, Special Trial Section.

MR. LEE LOEVINGER,
Assistant Attorney General,
Anti-trust Division,
United States Department of Justice,
Washington, D.C.

GENTLEMEN: This will acknowledge receipt of your letter of January 4, 1962 asking for certain information relative to United States v. First National Bank & Trust Company of Lexington, et al.

The business that we do in Fayette County and Lexington, Kentucky, although they adjoin our County of Madison, is negligible. However, we have tried to answer your questions as nearly correct as possible without going to several days of detail work.

We return herewith your original letter with the answers. We have kept a thermo-fax copy of this letter for our files.

Sincerely yours,

SPEARS TURLEY,
President.

ST:vs.
Enc.

[1101] UNITED STATES DEPARTMENT
OF JUSTICE,
Washington, D.C., January 4, 1961

(Address Reply to the Division Indicated and Refer to Initials and Number LL:LLW, 60-111-148.)

Re: United States v. First National Bank & Trust Company of Lexington, et al.

STATE BANK & TRUST COMPANY
Richmond, Kentucky.

GENTLEMEN: On March 1, 1961, the Department of Justice filed a civil action in the Eastern District of Kentucky at Lexington charging that the merger of the First National Bank and Trust Company of Lexington with the Security Trust Company violates Sections 1 and 2 of the Sherman Antitrust Act.

In order to assist the court in delineating the geographic area within which the effects of the merger should be measured we believe that certain statistical information concerning the extent of banking business done in Fayette County, Kentucky, by banks located in other areas may be of value.

We therefore ask your cooperation in supplying to us, at your earliest convenience, the following information concerning your bank's demand deposits, commercial and industrial loans, and trust accounts as of December 31, 1960, or, if more convenient, any other recent date:

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations; At close of business 12/30/61, Approximately 6250 accounts with dollar value $7,568,788.00.

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County; At the close of business 12/30/61 Approximately 60 accounts with dollar value of approximately $50,000.

(3) The outstanding number and dollar value of commercial and industrial loans; At the close of business 12/30/61 we had approximately 2600 notes aggregating $4,392,356. These are not broken down as to individuals, commercial and industrial totals but we estimate that about one-fourth could be classified as commercial and industrial loans.

[1102] (4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County; One loan for a total of $4,000.

(5) The total number and carrying value of trust accounts; Approximately 60 accounts for a dollar total of $1,185,000.

(6) The number and carrying value of trust accounts which originate in Fayette County. One for $1,500.

If you have any questions concerning this matter, please feel free to call upon us.

Your cooperation will be greatly appreciated.

Sincerely yours,

LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division.
By LARRY L. WILLIAMS,
Chief, Special Trial Section.

[1103] *In United States District Court*

PLAINTIFF EXHIBIT 74

[60-111-148—22—Department of Justice, Jan. 12, 1962, Records Branch—Record]

THE NORTH SIDE BANK AND TRUST COMPANY,
HAMILTON AVE. AND PALM ST.,
Cincinnati 23, Ohio, January 10, 1962

(Geo. C. Coors, President; Lewis M. Crosley, Vice President; Clifford H. Coors, Vice President; Leland G. Butler, Vice President and Trust Officer; Edward Wiesmann, Jr., Cashier; George J. Banker, Ass't Cashier; William V. Ingram, Ass't Cashier).

Attn: Larry L. Williams, Chief, Special Trial Section.
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

Re: LL:LLW, 60-111-148, United States v. First National Bank & Trust Co. of Lexington et al.

GENTLEMEN: In answer to your letter dated January 4, 1962, this is to inform you that we have the following: 1,256 loans for a total of $6,143,304.34; 2,832 commercial accounts totaling

$6,136,186.05; 3,863 savings accounts totaling $4,107,722.70 as of December 31, 1961.

Our records indicate that we have no borrowers or depositors in Fayette County, Kentucky.

Yours very truly,

THE NORTH SIDE BANK & TRUST CO.,
CLIFFORD H. COORS,
Vice President.

CHC/dlw.

[1104] *In United States District Court*

PLAINTIFF EXHIBIT 75

[60-111-148-22—Department of Justice, Jan. 17, 1962, Records Branch, Anti-Trust—Record]

BANK OF LOUISVILLE,
427 West Market Street,
Louisville 2, Kentucky, January 15, 1962
(Richard H. Stout, President).

Re: United States vs. First National Bank & Trust Company of Lexington, et al.

ANTI-TRUST DIVISION,
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: In reply to your letter of December 29th concerning the above-styled case, we wish to advise that the amount of business done by this Bank with residents of Lexington, or Fayette County, Kentucky, is negligible.

A close search of our files indicates that we have only one sizeable deposit, a business deposit, in the amount of $100,000.00 as of December 31, 1961. At the end of 1960, that deposit was $50,000.00. It is a demand deposit with a corporation.

This Bank does not solicit loans in the Lexington area, and any loans to residents of that area would result from either (a) removal of the borrower from the trade area of this Bank to the Lexington area, or (b) purchase of FHA IMPROVE-

MENT PAPER from dealers, or owners of that paper. The quantity would be very small.

We do not handle trust accounts.

Yours very truly,

RICHARD H. STOUT,
President.

RHS:ALL.

Member Federal Deposit Insurance Corporation

[1105] *In United States District Court*

PLAINTIFF EXHIBIT 76

[60-111-148—22—Department of Justice, Jan. 15, 1962, Records Branch—Record]

BOURBON-AGRICULTURAL BANK & TRUST CO.,
CAPITAL STOCK $200,000, SURPLUS $300,000,
Paris, Kentucky, January 11, 1962

(John F. Davis, President; Buckner Woodford, Vice Pres. & Cashier; Anna Mae Scott, Assistant Cashier; Harry H. See, Assistant Cashier; Everett Hall, Assistant Cashier)

LL:LLW, 60-111-148
Attention: Mr. Larry L. Williams, Chief Special Trial Section
UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

DEAR SIR: In reply to your recent letter regarding the case of the United States versus First National Bank and Trust Company of Lexington, Kentucky, we give you herewith figures taken from our called report December 31, 1960:

Demand deposit of accounts of individuals, partnerships and corporations involving approximately 3,000 accounts—$3,366,116.10. There is no appreciable amount of the above located in Fayette County.

Commercial and industry loans, number not known—$629,943.57. No appreciable amount located in Fayette County.

Approximately seventy-five trust accounts total assets value listed approximately $1,800,000.00. No appreciable amount located in Fayette County.

Yours very truly,

BUCKNER WOODFORD,
Cashier.

BW/bl.

[1106] *In United States District Court*

PLAINTIFF EXHIBIT 77

[60-111-148—22—Department of Justice, Jan. 22, 1962, Records Branch—Record]

THE WOODFORD BANK & TRUST CO.,
CAPITAL STOCK $150,000.00, SURPLUS $150,000.00,
Versailles, Kentucky, January 16, 1962
(L. D. Sweazy, President; D. L. Thornton, Chairman of the Board; Porter P. Welch, Cashier).

LL:LLW.

Re: 60-111-148 United States v. First National Bank & Tr. Co. of Lexington, et al.

MR. LARRY L. WILLIAMS,
Chief, Special Trial Section
United States Department of Justice
Washington, D.C.

DEAR MR. WILLIAMS: In your letter of January 4, 1962 you asked for a lot of information which is almost impossible for us to get for you on such a short notice. I will endeavor to give you, as near accurate as possible, the information requested.

(1) Total number of dollar value of demand deposits accounts of individuals, partnerships and corporations: 4000 accounts totaling $5,051,963.34.

(2) The number of dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County: Less than 50 accounts totaling less than $500,000.00.

(3) The outstanding number and dollar value of commercial and industrial loans: 2,572, 600.18.

(4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County: Less than 25 totaling less than 200,000.00.

(5) The total number and carrying value of trust accounts: 78 totaling 801,088.07.

(6) The number and carrying value of trust accounts which originate in Fayette County: 3 totaling 6393.18.

We are very much interested in the consolidation of the Security Trust Company and The First National Bank and Trust Company of Lexington. The First National Bank and Trust Company has been our corresponding bank for Central Kentucky for many years.

In 1953 Versailles Products, Inc., was organized and located a factory here. It was necessary for us to have a correspondent bank take care of the excess loan of this [1107] corporation as at that time we were only able to make a $60,000.00 loan to one individual. Had the First National Bank and Trust Company in Lexington been a larger bank with a larger capital structure they would have been able to take care of this loan for us.

Our bank is located only 10 miles from the City Limits of Lexington, and we have no competition with the First National Bank and Trust Company for accounts from our area, as any inquiry to them from anyone living in our area for a loan or an account, is referred to us.

I trust you will approve this merger.

Sincerely yours,

L. D. SWEATT,
President.

LDS: na.

[1108] *In United States District Court*

PLAINTIFF EXHIBIT 78

[60-111-148—22—Department of Justice, Jan. 22, 1962, Records Branch, Anti-Trust—Record]

THE CENTRAL TRUST COMPANY, CHARTERED 1862,
Cincinnati (1), January 19, 1962

(Comptroller's Department: W. S. March, Vice President and Comptroller; F. M. Mairose, Auditor; Robert A. Ries, Assistant Secretary).

Reference: LL:LLW, 60-111-48

Re: United States v. First National Bank & Trust Company of Lexington, et al.

ANTITRUST DIVISION,
United States Department of Justice,
Washington, D.C.

GENTLEMEN: In reply to your request of January 4, 1962 concerning the civil action outlined in your letter, we submit the following information, as of December 31, 1960:

(1) Q. The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations.

A. The total number of such demand deposit accounts was 51,092 as defined Federal Reserve Report of Condition with a dollar value of $214,510,984.08.

(2) Q. The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County.

A. To the best of our knowledge, we had only five accounts that would so qualify with a dollar value of $420,789.48.

(3) Q. The outstanding number and dollar value of commercial and industrial loans.

A. We do not maintain a running historical record of number of commercial and industrial loans; therefore any figure named would be of little significance. The total dollar value as defined in the Federal Reserve Report of Condition was $76,273,-235.97.

[1109] (4) Q. The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County. Please indicate what portion of these figures results from loans which were originated by banks located in Fayette County and in which you shared as a participant.

A. To the best of our knowledge, we held only one direct commercial loan with a dollar value of $600,000.00. We were not participating in any such loans with other banks.

(5) Q. The total number and carrying value of trust accounts;

A. On December 31, 1960 we had 2,686 trust accounts with a total carrying value of $365,995,965.44.

(6) Q. The number and carrying value of trust accounts which originate in Fayette County.

A. Of the above totals one insurance trust with a carrying value of $16.00 originated in Fayette County.

I trust the foregoing will supply the information you require.

Very truly yours,

W. S. MARCH,
Vice President and Comptroller.

WSM:MKF.

[1110] *In United States District Court*

PLAINTIFF EXHIBIT 79

Total Demand Deposits of Individuals, Partnerships and Corporations in all Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Total IPC Demand Deposits (Thousands)	Per Cent of Total
First National Bank and Trust Company of Lexington	$94,228	38.40
Security Trust Company	31,000	12.60
First National and Security Trust Combined	45,000	18.30
Citizens Union National Bank and Trust Company	34,272	13.36
Bank of Commerce	12,502	14.02
Central Bank	3,000	1.12
Second National Bank and Trust Company	7,151	2.60
Total	$250,194	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1111] *In United States District Court*

PLAINTIFF EXHIBIT 80

Total Loans To Farmers Not Secured by Farm Land of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Loans Directly Guaranteed By The Commodity Credit Corporation (thousands)	Other Loans To Farmers (thousands)	Total Loans To Farmers Not Secured By Farm Land (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$0	$2,128	$2,128	52.04
Security Trust Company	0	94	94	2.33
First National Bank and Security Trust Combined	0	2,222	2,222	54.37
Citizens Union National Bank and Trust Company	0	811	811	20.12
Bank of Commerce	0	55	55	1.36
Central Bank	0	148	148	3.65
Second National Bank and Trust Company	0	790	790	19.60
Total	$0	$4,031	$4,031	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1112] *In United States District Court*

PLAINTIFF EXHIBIT 81

Total Loans to Financial Institutions of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Loans to Domestic Commercial and Foreign Banks (thousands)	Loans to Other Financial Institutions (thousands)	Total Loans to Financial Institutions (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$0	$100	$100	4.93
Security Trust Company	0	943	943	46.48
First National Bank and Security Trust Combined	0	1,043	1,043	51.41
Citizens Union National Bank and Trust Company	0	766	766	37.75
Bank of Commerce	0	80	80	3.94
Central Bank	0	140	140	6.90
Second National Bank and Trust Company	0	0	0	0
Total	$0	$2,029	$2,029	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1113] *In United States District Court*

PLAINTIFF EXHIBIT 82

Total Loans for Purchasing or Carrying Securities of All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Loans to Brokers and Dealers In Securities (thousands)	Other Loans For The Purpose of Purchasing Or Carrying Stocks, Bonds, and Other Securities (thousands)	Total Loans For Purchasing Or Carrying Securities (thousands)	Percent of Total
First National Bank and Trust Company of Lexington	$1,000	$0	$1,000	31.91
Security Trust Company	37	70	107	3.32
First National Bank and Security Trust Combined	1,037	70	1,107	35.13
Citizens Union National Bank and Trust Company	0	0	0	0
Bank of Commerce	0	45	45	1.39
Central Bank	463	1,300	1,763	53.09
Second National Bank and Trust Company	0	345	345	10.39
Total	$1,500	$1,771	$3,322	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1114] *In United States District Court*

PLAINTIFF EXHIBIT 83

Analysis of Deposits Held by Citizens Union National Bank and Trust Company as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	$14,372	68.64
2. Deposits of United States Government	308	1.35
3. Deposits of States and political subdivisions	274	1.12
4. Deposits of banks in the United States	1,373	6.18
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	155	.67
7. Total Demand Deposits	18,389	78.95
TIME DEPOSITS		
1. IPC Deposits	4,647	24.61
2. Deposits of United States Government	7	.03
3. Deposits of States and political subdivisions	125	.61
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	4,179	23.15
Total Demand and Time Deposits	24,568	100.00

Source: Report of Condition of Citizens Union National Bank and Trust Company dated December 31, 1960.

[1115] *In United States District Court*

PLAINTIFF EXHIBIT 84

Analysis of Deposits Held by Bank of Commerce as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	$12,803	64.13
2. Deposits of United States Government	110	.56
3. Deposits of States and political subdivisions	1,299	6.65
4. Deposits of banks in the United States	25	.13
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	99	.52
7. Total Demand Deposits	14,033	71.97
TIME DEPOSITS		
1. IPC Deposits	5,282	27.14
2. Deposits of United States Government		
3. Deposits of States and political subdivisions	170	.89
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	5,457	28.03
Total Demand and Time Deposits	19,490	100.00

Source: Report of Condition of Bank of Commerce dated December 31, 1960.

[1116] *In United States District Court*

PLAINTIFF EXHIBIT 85

Analysis of Deposits Held by Central Bank as of December 31, 1960

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	$7,343	51.39
2. Deposits of United States Government	441	3.12
3. Deposits of States and political subdivisions	2,475	17.39
4. Deposits of banks in the United States	599	4.16
5. Deposits of banks in foreign countries		
6. Certified and cashier's checks	82	.58
7. Total Demand Deposits	10,938	76.84
TIME DEPOSITS		
1. IPC Deposits	2,946	20.83
2. Deposits of United States Government		
3. Deposits of States and political subdivisions	370	2.61
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	3,316	23.44
Total Demand and Time Deposits	14,144	100.00

Source: Report of Condition of Central Bank dated December 31, 1960.

24

[1117] *In United States District Court*

PLAINTIFF EXHIBIT 88

Analysis of Deposits Held by Second National Bank and Trust Company as of December 31, 1969

	Amount (thousands)	Percent of Total
DEMAND DEPOSITS		
1. IPC Deposits	97,151	93.62
2. Deposits of United States Government	196	1.13
3. Deposits of States and political subdivisions	80	.73
4. Deposits of banks in the United States	0	
5. Deposits of banks in foreign countries	0	
6. Certified and cashier's checks	71	.68
7. Total Demand Deposits	7,447	*61.26
TIME DEPOSITS		
1. IPC Deposits	4,689	38.39
2. Deposits of United States Government		
3. Deposits of States and political subdivisions	80	.41
4. Deposits of banks in the United States		
5. Deposits of banks in foreign countries		
6. Total Time Deposits	4,719	38.74
Total Demand and Time Deposits	12,187	100.00

*The sum of the items in this column do not add to total due to rounding.

Source: Report of Condition of Second National Bank and Trust Company dated December 31, 1969.

[1118] *In United States District Court*

PLAINTIFF EXHIBIT 87

Analysis of Loans and Discounts of Citizens Union National Bank and Trust Company as of December 31, 1969

	Amount (thousands)	Percent of Total
1. Real estate loans:		
(a) Secured by farm land	[illegible]	1.3
(b) Secured by residential properties, insured by FHA	19	0.1
(c) Secured by residential properties, insured by VA	87	0.6
(d) Secured by residential prop., not insrd. by FHA or VA	1,354	9.3
(e) Secured by nonfarm, nonresidential properties	1,879	12.9
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions	703	4.9
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities		
(b) Other loans for purchasing or carrying securities		
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	811	5.5
5. Commercial and industrial loans	6,115	41.7
6. Loans to individuals for household, family & pers. expend.:		
(a) To purchase pvt. pass. auto on instalment basis	2,080	14.0
(b) To purchase other retail consumer goods on instal	325	2.2
(c) Instal. loans to repair & modernize res. prop	400	2.8
(d) Other instal. loans for HH, family & pers. expds	702	4.8
Total instalment loans: [illegible], [illegible]%		
(e) Single-payment loans for HH, family & pers. expen		
7. All other loans		
8. Total Loans and Discounts	*14,669	*100.0

*The sum of the items in these columns does not add to the totals due to rounding.

Source: Report of Condition of Citizens Union National Bank and Trust Company dated December 31, 1969.

[1119] *In United States District Court*

PLAINTIFF EXHIBIT 88

Analysis of Loans and Discounts of Central Bank as of December 31, 1959

	Amount (thousands)	Percent of Total
1. Real estate loans:		
(a) Secured by farm land	[illegible]	[illegible]
(b) Secured by residential properties, insured by FHA	[illegible]	[illegible]
(c) Secured by residential properties, insured by VA	6	0.1
(d) Secured by residential prop., not insrd. by FHA or VA	1,377	14.9
(e) Secured by nonfarm, nonresidential properties	222	2.3
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions	141	1.5
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities	429	4.6
(b) Other loans for purchasing or carrying securities	1,220	13.2
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	140	1.5
5. Commercial and industrial loans		
6. Loans to individuals for household, family & pers. expen.:		
(a) To purchase pvt. pass. auto on installment basis	447	4.8
(b) To purchase other retail consumer goods on instal.	1,059	11.4
(c) Instal. loans to repair & modernize res. prop.	19	0.2
(d) Other instal. loans for HH, family & pers. expen.	1,220	13.2
Total installment loans: [illegible]		
(e) Single-payment loans for HH, family & pers. expen.	1,266	13.7
7. All other loans	68	0.1
8. Total Loans and Discounts	9,220	*100.0

*The sum of the items in this column does not add to the total due to rounding.

Source: Report of Condition of Central Bank dated December 31, 1959.

[1120] *In United States District Court*

PLAINTIFF EXHIBIT 89

Analysis of Loans and Discounts of Bank of Commerce as of December 31, 1960

	Amount (thousands)	Percent of Total
1. Real Estate Loans:		
(a) Secured by farm land	$247	1.9
(b) Secured by residential properties, insured by FHA		
(c) Secured by residential properties, insured by VA		
(d) Secured by residential prop. not insured by FHA or VA	3,781	29.3
(e) Secured by nonfarm, nonresidential properties	1,721	13.4
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions	80	0.6
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities		
(b) Other loans for purchasing or carrying securities	46	0.4
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	55	0.4
5. Commercial and industrial loans	8,171	67.9
6. Loans to individuals for household, family & pers. expen.:		
(a) To purchase pvt. pass. autos on instalment basis	396	3.1
(b) To purchase other retail consumer goods on instal.	37	0.3
(c) Instal. loans to repair & modernize res. prop.		
(d) Other instal. loans for HH, family & pers. expen.	202	1.6
Total instalment loans: $634, 4.9%.		
(e) Single-payment loans for HH, family & pers. expen.	142	1.1
7. All other loans	8	0.1
8. Total Loans and Discounts	*12,884	*100.0

*The sum of the items in these columns does not add to the totals due to rounding.

Source: Report of Condition of Bank of Commerce dated December 31, 1960.

[1121] *In United States District Court*

PLAINTIFF EXHIBIT 90

Analysis of Loans and Discounts of Second National Bank and Trust Company as of December 31, 1960

	Amount (thousands)	Percent of Total
1. Real Estate Loans:		
(a) Secured by farm land	$[illegible]	7.3
(b) Secured by residential properties, insured by FHA		
(c) Secured by residential properties, insured by VA		
(d) Secured by residential prop., not insrd. by FHA or VA	1,607	19.6
(e) Secured by nonfarm, nonresidential properties	978	12.0
2. Loans to financial institutions:		
(a) To domestic commercial and foreign banks		
(b) To other financial institutions		
3. Loans to purchasing or carrying securities:		
(a) To brokers and dealers in securities		
(b) Other loans for purchasing or carrying securities	345	4.4
4. Loans to farmers:		
(a) Loans directly guaranteed by CCC		
(b) Other loans to farmers	720	14.7
5. Commercial and industrial loans	283	34.5
6. Loans to individuals for household, family & pers. expen.:		
(a) To purchase pvt. pass. auto on instalment basis	333	4.3
(b) To purchase other retail consumer goods on instal.	116	1.1
(c) Instal. loans to repair & modernize res. prop.		
(d) Other instal. loans for HH, family & pers. expen.	33	0.6
Total instalment loans: $202, 7.1%		
(e) Single-payment loans for HH, family & pers. expen.	1,130	21.2
7. All other loans	19	0.4
8. Total Loans and Discounts	*5,381	*100.0

*The sum of the items in these columns does not add to the totals due to rounding.

Source: Report of Condition of Second National Bank and Trust Company dated December 31, 1960.

[1122] *In United States District Court*

PLAINTIFF EXHIBIT 91

Total Deposits of Other Banks in the United States in All Commercial Banks in Fayette County, Kentucky, as of December 31, 1960

	Amount (thousands)	Percent
First National Bank and Trust Company of Lexington	$6,120	71.05
Security Trust Company	10	.12
First National and Security Trust Combined	6,130	71.09
Citizens Union National Bank and Trust Co.	1,272	14.13
Bank of Commerce	25	.29
Central Bank	588	7.48
Second National Bank and Trust Company	0	0
	87,324	100.00

Source: Report of Condition of each bank dated December 31, 1960.

[1123] *In United States District Court*

PLAINTIFF EXHIBIT 92

FIRST NATIONAL BANK & TRUST CO.,
Lexington, Ky., January 21, 1961.

Mr. RAY M. GIDNEY,
Comptroller of the Currency,
Room 3120, U. S. Treasury Building,
Washington, D.C.

DEAR MR. GIDNEY: It has come to our attention that protest has been made to the proposed consolidation of First National Bank and Trust Company of Lexington and Security Trust Company on the ground that the resulting bank would have more than 90% of the trust business in this area and that the same would substantially lessen competition in the trust field. We wish to submit some additional information on this phase of the matter, which we believe conclusively refutes this argument. A brief review of the history and background of corporate fiduciaries in this area will be useful. There was no corporate fiduciary with trust powers until the organization of Security Trust & Safety Vault Company in 1886, which continued to be the only corporate fiduciary in Lexington and Fayette County for many years under its present name of

"Security Trust Company." It was only in the past ten or twelve years that Security has engaged in the commercial banking field except to a limited extent.

First National was organized in 1865 and it was not until 1937 that it established a separate trust department. The Union Bank & Trust Company was incorporated in 1905 with trust powers and the Bank of Commerce in 1911, and the latter bank acquired trust powers and has engaged in trust business since 1916. The Citizens Bank & Trust Company was organized in July of 1931 as a result of the failure of Guaranty Bank & Trust Company and took over the trust business of the latter bank. In recent years, the Citizens Bank and the Union Bank [1124] merged and later joined the National system under the title of "Citizens Union National Bank & Trust Company." Second National Bank has been in the commercial banking business for many years, and within the past five years was granted powers and has a trust department under the style of "Second National Bank & Trust Company." The Central Bank entered the banking business about 15 years ago and we are informed has recently been granted trust powers.

With the exception of Security Trust Company, the various trust departments of the other banks, including that of First National, were established and have been operated primarily in order to provide trust service for their own customers and as an accommodation to those customers. Security, having been the only corporate fiduciary for many years, naturally has the largest trust business—drawing business not only from Lexington and Fayette County but from surrounding counties as well. First National is probably the second largest trust department, but it is likewise the largest bank in commercial deposits. We believe it is fair to say that there is no active, forceful competition among the trust departments of the several banks to try to take customers away from other banks for their respective trust departments—for, as stated above, these trust departments are operated primarily for the accommodation of the customers of the respective banks.

Actually, the probate records show that the banks get only a modest share of the fiduciary business in this area and that the

major part of it goes to individuals; that is, to friends, family, or lawyer of the decedent.

Some time ago, Mr. Ira White, who was then employed in the Trust Department of First National (now Trust Officer of Sarasota Bank & Trust Company at Sarasota, Florida), as a part of a thesis submitted to the Graduate School of Banking at Rutgers University, did some research on the records of the Fayette County Court, which is the court of probate in Kentucky. His purpose was to ascertain the volume of trust business in Fayette County and to determine the extent of the business obtained by corporate fiduciaries on the one hand and individuals [1125] on the other. His analysis of the records covered the ten-year period from 1938 through 1947 and was obtained from information revealed by the settlements filed in the court by the duly qualified fiduciaries. In the ten-year period, there was a total of 1742 estates administered, of which 149 were administered by corporate fiduciaries and 1593 by individuals. The dollar volume of the corporate fiduciaries was $7,773,405.00, or 37.37 per cent of the total, and that of individuals $13,026,686.00, or 62.63 per cent.

We have recently made an examination of the order books in the Fayette County Court for the calendar year 1960, which discloses that for this period there was a total of 646 appointments of fiduciaries, of which 176 appointments required no fiduciary bond because of the small size of the estate. Of the remaining 470 appointments in which bond was executed, Security and First National obtained 40 appointments and all other corporate fiduciaries in Fayette County were designated in 30 instances; whereas, individuals were appointed in 400 instances. As to dollar volume, the First National and Security appointments amounted to $3,934,000.00; for all other corporate fiduciaries, $754,865.00, and for various individual fiduciaries, $6,572,350.00, making a total of $11,261,215.00. Thus, First National and Security obtained only approximately 8.5 per cent of the total appointments and 35 per cent of the dollar volume of estates as evidenced by the bonds executed. A comparison of these figures for 1960 with the ten-year period stated above shows that the corporate fiduciaries in the Lex-

ington area still obtain only a relatively small part of the total business.

Thus, it would appear that the competition in this area is not between the respective banks but primarily between the corporate fiduciaries and individuals. While it is hoped that the consolidation, if effected, will enable the resulting bank to provide better service—including that of the Trust Department, it is not believed that this will result in any lessening of competition insofar as the other banks in the area are concerned, as it is most likely that they will continue as in the past to service their respective customers. It is hoped, however, that through more efficient service the resulting bank [1126] may obtain some additional appointments that might otherwise go to individuals, but it is submitted that this would in turn have a direct tendency to make the people of this area more interested in corporate fiduciaries than they are now and would result in additional appointments for other banks as well.

For these reasons, we believe that the protest on the grounds stated above are unwarranted.

The affidavit of Edwin V. Mack, Vice President and Trust Officer of First National Bank and Trust Company of Lexington with reference to the compilation of data from the Fayette County Court records for the year 1960 is attached hereto.

In our application on Form 1931 heretofore filed with you, we pointed out the tremendous industrial and economic expansion of the Lexington area in the past few years and the need for additional capital requirements for this continually expanding economy. Facts, figures and statistics were supplied in support of this proposition.

We would like to call your attention to a brochure on Business and Credit Outlook issued in December, 1960, by the Credit Policy Committee of The American Bankers Association, which on page 14 thereof under the heading "CLEVELAND FEDERAL RESERVE DISTRICT (4)" reviews the credit demand on commercial loans, consumer credit loans, real estate loans and agricultural loans. In practically all areas it is stated that the trend is downward except in the Lexington area. This lends further support (if any is needed) to our

statements as to the expansion of all types of business in the Lexington area and the need for stronger and larger financial institutions to supply their capital requirements. For your convenience, a copy of this brochure is enclosed.

Thanking you for your consideration, I am

Sincerely yours,

[1127] *In United States District Court*

PLAINTIFF EXHIBIT 93

Analysis of Capital Accounts, by Type and Class of Bank, as of December 31, 1959, and December 31, 1960

	Total Capital Accounts (thousands)	Capital and Surplus		Undivided Profits and Reserves	
		Amounts (thousands)	Percent of Total Cap. Accts.	Amount (thousands)	Percent of Total Cap. Accts.
1960					
All Banks [1]	$24,002,699	$18,861,924	76.67	$5,790,775	23.33
All Commercial Banks and Nondeposit Trust Companies [1]	21,050,024	16,262,957	77.89	4,657,067	22.12
All Insured Commercial Banks [2]	20,598,343	16,123,842	78.05	4,534,500	21.95
All Insured Commercial Banks with Deposits of $50—$100 Million	(*)	(*)	(*)	(*)	(*)
All Insured Commercial Banks in Kentucky [4]	226,476	171,612	75.77	54,864	24.22
First National Bank and Trust Company of Lexington [6]	5,023	2,500	49.77	2,523	50.23
All Other Commercial Banks in Fayette County [6]	8,959	7,350	82.04	1,609	17.96
1959					
All Banks [1]	22,973,151	17,766,083	77.33	5,207,068	22.67
All Commercial Banks and Nondeposit Trust Companies [1]	19,614,111	15,406,201	78.54	4,208,910	21.46
All Insured Commercial Banks [2]	19,231,505	15,137,199	78.71	4,094,306	21.29
All Insured Commercial Banks with Deposits of $50—$100 Million [3]	1,312,628	1,019,629	77.68	293,999	22.32
All Insured Commercial Banks in Ky. [5]	207,542	156,082	75.21	51,460	24.79
First National Bank and Trust Company of Lexington [7]	4,671	2,500	53.52	2,171	46.48
All Other Commercial Banks in Fayette Co.	8,361	7,050	84.32	1,311	15.68

*Not Available.

Source:

[1] FDIC Report No. 54, dated December 31, 1960, p. 5.
[2] FDIC Report No. 54, dated December 31, 1960, p. 15.
[4] Annual Report of the FDIC for the year ended December 31, 1960, pp. 56-57.
[5] FDIC Report No. 54, dated December 31, 1960, p. 33.
[6] FDIC Report No. 52, dated December 31, 1960, p. 33.
[6] Report of Condition of each bank dated December 31, 1960.
[7] Report of Condition of each bank dated December 31, 1960.

[1128] *In United States District Court*

PLAINTIFF EXHIBIT 94

[60-111-148—22—Department of Justice, Jan. 24, 1962, Records Branch, Anti-Trust—Record]

THE SOUTHERN OHIO NATIONAL BANK,
Cincinnati 2, Ohio, January 22, 1962
(Paul B. Momberg, Vice President).

Mr. LEE LOEVINGER,
United States Department of Justice,
Washington, D.C.

DEAR MR. LOEVINGER: Further in reference to the information requested in the 3rd paragraph of your letter of January 4:

1. Demand deposits 12333 accounts Dec. 29, 1961 14,613,524.52.
2. None.
3. Total loans Dec. 29, 1961 20,867,846.17.
4. None.
5. 190 Trust Accounts—Total Assets 18,968,588.00.
6. None.

Very truly yours,

PAUL B. MOMBERG.

PBM/jj.

[1129] *In United States District Court*

PLAINTIFF EXHIBIT 95

[60-111-148—22—Department of Justice, Jan. 25, 1962, Records Branch, Anti-Trust—Record]

FIRST NATIONAL LINCOLN BANK OF LOUISVILLE,
THE OLDEST NATIONAL BANK IN THE SOUTH,
Office of the President,
Louisville, 1, Kentucky, January 22, 1962.

Re: United States v. First National Bank & Trust Company of Lexington, et al. LL:LLW 60-111-148.

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: This will acknowledge your letter of January 4 in which you ask our cooperation in supplying certain information mentioned therein concerning our demand deposits, commercial and industrial loans and trust accounts as of December 31, 1960.

Replying to your letter by the numbered paragraphs, we submit the following information as of the date mentioned:

(1) Accounts of individuals, partnerships and corporations numbered 42,881 for a dollar total of $144,781,906.38.

(2) It would be almost an impossibility to look through the number of accounts mentioned to determine which depositors might have had a Fayette County address. This particular question has been discussed at a meeting of our officer group and we come up with the following as being the only accounts of any consequence that we can recall as being domiciled in Fayette County: 3 accounts with balances averaging about $540,000.

(3) We had outstanding 5,777 loans for a total of $93,106,953.25, excluding notes in our Instalment Loan Department.

(4) As mentioned above, we would find it extremely difficult to produce an absolutely correct list of all loan transactions, but again by officer discussion we have been able to recon- [1130] struct the following:

Account A	$90,883.77 P
Account B	200,000.00 P
Account C	35,000.00 D
Account D	500,000.00 D
Account E	1,000,000.00 L

P—Participation with Lexington banks.
D—Direct loan.
L—Committed credit not in use at this date.

(5) 473 accounts at a carrying value of $36,784,088.29.

(6) None.

Trusting that the foregoing gives you the desired information, we are

Very truly yours,

D. W. POTTER,
President.

DWP:en.

[1131] *In United States District Court*

PLAINTIFF EXHIBIT 96

[60-111-148—22—Department of Justice, Jan. 25, 1962, Records Branch, Anti-Trust—Record]

FIRST NATIONAL LINCOLN BANK OF LOUISVILLE
THE OLDEST NATIONAL BANK IN THE SOUTH.
Office of the President,
Louisville 1, Kentucky, January 23, 1962.

Re: United States v. First National Bank & Trust Company of Lexington, et al. LL:LLW 60-111-148.

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: This will supplement our letter of January 22 to you in response to your letter of January 4 concerning the above.

It has been brought to my attention today that the number of accounts of individuals, partnerships and corporations quoted in item 1 of our letter of January 22, did not include some of our branch figures and that the correct number should have been 63,151. The dollar total of these accounts quoted is from the related classification of our December 31, 1960 published call report and does not include deposits of correspondent banks. Neither are the Lexington banks maintaining accounts with us included in the figures quoted in item 2 of our letter.

Trusting that these additional comments will be helpful to a correct understanding of the information submitted, we are

Very truly yours,

D. W. POTTER,
President.

DWP:en.

[1132] *In United States District Court*

PLAINTIFF EXHIBIT 97

[60-111-148—22—Department of Justice, Jan. 26, 1962, Records Branch, Anti-Trust—Record]

THE LOUISVILLE TRUST COMPANY,
MEMBER FEDERAL RESERVE SYSTEM,
Louisville 1, Kentucky, January 24, 1962
(Earl R. Muir, Chairman of the Board).

Your reference: LL:LLW, 60-111-148.

Re: United States v. First National Bank & Trust Company of Lexington, et al.

MR. LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division,
United States Department of Justice,
Washington, D.C.

DEAR MR. LOEVINGER: We have now been authorized by the First National Bank & Trust Company of Lexington and the Security Trust Company of Lexington to furnish you the information you requested in your letter to us of January 4, 1962.

At the close of business December 31, 1961, the answers to the questions raised in your letter are:

(1) 9,3[illegible] accounts—$60,489,570

(2) 8 accounts—$226,000

(3) 106 loans—$23,047,000

(4) 1 loan—$169,000

(This is our participation in a loan that originated in banks in Fayette County. We have other loans from borrowers in Fayette County, which do not come under the strict classification of commercial and industrial loans. The total of such loans is 6 and the dollar amount is $2,592,-300. One of these loans originated in a Lexington bank and our part of the participation is $973,000.)

With reference to questions 5 and 6, we would prefer not to disclose the number and carrying value of trust accounts in our [1133] bank. Referring to question number 6, we have one account with a value of $50,000 in which a resident of Fayette County has an interest.

I hope this information will satisfy your wishes.

Very truly yours,

EARL R. MUIR,
Chairman.

[1134] *In United States District Court*

PLAINTIFF EXHIBIT 98

[60-111-148—22—Department of Justice, Jan. 25, 1962, Records Branch, Anti-Trust—Record]

CITIZENS FIDELITY BANK AND TRUST COMPANY,
Louisville, Kentucky, January 24, 1962.

Mr. LARRY L. WILLIAMS,
Chief, Special Trial Section,
United States Department of Justice,
Washington, D.C.

DEAR MR. WILLIAMS: As requested in your letter of December 29, Re: United States v. First National Bank and Trust Company of Lexington, et al., we wish to advise the following information.

In securing this information we find that in both deposits and in loans same are diversified and in different categories than you request under numbers 1, 2, 3 and 4.

This information has been compiled from Federal Reserve and State Call Report as of the close of December 30, 1961, and we are showing them under appropriate headings as requested in your letter.

1. The number of accounts is a confidential matter and the dollar value is $264,421,591.76. These amounts are from item 13 and item 17 of Deposit Liabilities.
2. 15 accounts having dollar value of $7,286,549.45.
3. The number of accounts and loans in this category is a confidential matter.
4. 8 loans having dollar value of $1,379,354.61.
5. The total number and carrying value of trust accounts is of a confidential nature.
6. 8 accounts carried on our books at $2,710,505.00.

Trusting the enclosed is the information desired.

Yours very truly,

C. P. OSSMAN,
Comptroller.

CPO:rg.

[1135] *In United States District Court*

PLAINTIFF EXHIBIT 99

[60-111-148—22—Department of Justice, Feb. 1, 1962, Records Branch, Anti-Trust—Record]

THE CLARK COUNTY NATIONAL BANK,
CAPITAL, SURPLUS, AND UNDIVIDED
PROFITS OVER $700,000.00,
Winchester, Kentucky, January 29, 1962.

Re: United States v. First National Bank & Trust Co. of Lexington, et al.

Hon. LEE LOEVINGER,

Asst. Attorney General,
Antitrust Division,
Washington, D.C.

DEAR SIR: With reference to your letter of January 4, 1962, our deposits, loans and etc. as of December 30, 1961 were as follows:

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations: 3,428 accounts—$4,979,969.03.

(2) The number and dollar value of demand deposits accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County: 45 accounts—$62,102.97.

(3) The outstanding number and dollar value of commercial and industrial loans: 123 accounts—$963,401.47.

(4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County: 2 accounts—$7,381.25.

(5) Total number and carrying value of trust accounts: 20 accounts—$280,294.09.

(6) The number and carrying value of trust accounts which originate in Fayette County: None—None.

Should there be any additional information you desire, please advise.

Very truly yours,

ARTHUR SWANNER,
Exec. Vice Pres.

[1136] *In United States District Court*

PLAINTIFF EXHIBIT 100

[60-111-148—22—Department of Justice, Feb. 5, 1962, Records Branch, Anti-Trust—Record]

THE WINCHESTER BANK,
CAPITAL $100,000.00, SURPLUS AND PROFITS $700,000.00,
Winchester, Kentucky, February 1, 1962

(E. E. Freeman, President; Clyde Heflin, Cashier; C. A. Courtney, Assistant Cashier; C. B. Pember, Assistant Cashier; E. K. Ecton, Assistant Cashier).

Mr. LARRY L. WILLIAMS,
Chief, Special Trial Section,
United States Department of Justice,
Washington, D.C.

DEAR MR. WILLIAMS: Pleased to acknowledge your letter of January 4, 1962, regarding certain information concerning the extent of banking business done by us in Fayette County, Kentucky.

Below you will find the data requested, as of December 30, 1961.

(1) The total number and dollar value of demand deposits accounts of individuals, partnerships and corporations—3914 accounts with $7,183,141.02 on deposit.

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County—135 with $208,128.17 on deposit.

(3) The outstanding number and dollar value of commercial and industrial loans—96 loans of $1,985,068.80.

(4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County—4 loans amounting to $39,372.82.

(5) The total number and carrying value of trust accounts—39 valued at $1,356,318.09.

(6) The number and carrying value of trust accounts which originate in Fayette County—none.

Sincerely,

CHAS. B. PEMBER,
Asst. Cashier.

CBP:ke

Asst. Cashier.

[1137] *In United States District Court*

PLAINTIFF EXHIBIT 101

[60-111-148—22—Department of Justice, Feb. 7, 1962, Records Branch, Anti-Trust—Record]

FIRST NATIONAL LINCOLN BANK OF LOUISVILLE,
THE OLDEST NATIONAL BANK IN THE SOUTH,
Office of the President,
Louisville 1, Kentucky, February 5, 1962.

Re: United States v. First National Bank & Trust Company of Lexington, et al. LL:LLW 60-111-148.

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C.

GENTLEMEN: This will acknowledge your letter of January 30 in which you request clarification of certain information heretofore furnished in our letters of January 22 and 23.

The figure of $540,000 mentioned in paragraph numbered (2) of our letter of January 22 is the total of the average balances in the three accounts mentioned.

Trusting that this gives you the desired information, we are

Very truly yours,

D. T. MCGARVEY,
President.

DWP:en.

[1138] *In United States District Court*

PLAINTIFF EXHIBIT 102

[60-111-148—22—Department of Justice—Feb. 8, 1962, Records Branch—Record]

THE FIRST NATIONAL BANK OF CINCINNATI,
ORGANIZED 1863, CHARTER No. 24,
South East Corner Fourth and Walnut Streets,
Cincinnati, 1, Ohio, February 6, 1962
Vernon R. Shaffer, Comptroller.

Attention: Larry L. Williams, Chief Special Trial Section.
Re: LL:LLW, 60-111-148, United States vs. First National Bank & Trust Company of Lexington, et al.

Mr. LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division,
U.S. Department of Justice,
Washington, D.C.

GENTLEMEN: This is in acknowledgement and response to your letter of January 4, 1962 as captioned above.

The following are the points on which you requested us to supply information; our reply for each is noted immediately underneath.

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations; 12/31/60, 60,900, $263,258,000.

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County; 11/10/60, 9, $14,233.45.

(3) The outstanding number and dollar value of commercial and industrial loans; 12/31/60, 2,200, $91,640,600.

[1139] (4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County. Please indicate what portion of these figures results from loans which

you shared as a participant; 12/31/60, 12,* $1,185,998.81.*

(5) The total number and carrying value of trust accounts; 12/31/60, 2,300, $305,070,000.

(6) The number and carrying value of trust accounts which originate in Fayette County; 12/31/60, 1, $131,214.57.

We trust this furnishes the information you desire and wish to thank you for your cooperation.

Very truly yours,

VERNON R. SHAFFER,
Comptroller.

VRS:ret.

[1140] *In United States District Court*

PLAINTIFF EXHIBIT 103

[60-111-148—22—Department of Justice, Feb. 8, 1962, Records Branch, Anti-Trust—Record]

THE STATE NATIONAL BANK,
EAST FRANKFORT BRANCH, CAPITAL $100,000.00
DESIGNATED DEPOSITORY OF THE UNITED STATES,
Frankfort, Ky., February 7, 1962
(C. O. Elliston, President).

Re: LL:LLW, 60-111-148, United States v. First National Bank & Trust Company of Lexington, et al.

Mr. LARRY L. WILLIAMS, *Chief,*
Special Trial Section,
United States Department of Justice,
Washington, D.C.

DEAR MR. WILLIAMS: In reply to your inquiry of January 4th we find the following figures existed at close of business December 31, 1961:

*Includes 5 loans totaling $515,573.81 originated by banks in Fayette County, Ky. and which we were a participant.

(1) Total number of demand deposits of individuals, partnerships, and corporations—4,500 with dollar value of $5,000,000.00.

(2) Total number of demand deposits of individuals, partnerships, and corporations in which the depositor or owner is located in Fayette County—13 with dollar value of $65,000.00.

(3) Outstanding number of commercial and industrial loans—89 with dollar value of $400,000.00.

(4) Outstanding number of commercial and industrial loans in which the borrower or owner is located in Fayette County—10 with dollar value of $110,000.00.

(5 & 6) At present we do not solicit trust accounts; hence, our trust department is nominal and none of our accounts originated in Fayette County.

Sincerely,

C. O. ELLISTON.

COE:sj.

[1141] *In United States District Court*

PLAINTIFF EXHIBIT 104

UNITED STATES DEPARTMENT OF JUSTICE,
Washington, D.C., January 4, 1962.
(Address Reply to the Division Indicated
and Refer to Initials and Number).

LL:LLW
60-111-148

Re: United States v. First National Bank & Trust Company of Lexington, et al.

THE GEORGETOWN NATIONAL BANK,
Georgetown, Kentucky.

GENTLEMEN: On March 1, 1961, the Department of Justice filed a civil action in the Eastern District of Kentucky at Lexington charging that the merger of the First National Bank and Trust Company of Lexington with the Security Trust Company violates Sections 1 and 2 of the Sherman Antitrust Act.

In order to assist the court in delineating the geographic area within which the effects of the merger should be measured we believe that certain statistical information concerning the extent of banking business done in Fayette County, Kentucky, by banks located in other areas may be of value.

We therefore ask your cooperation in supply to us, at your earliest convenience, the following information concerning your bank's demand deposits, commercial and industrial loans, and trust accounts as of December 31, 1960, or, if more convenient, any other recent date:

(1) The total number and dollar value of demand deposit accounts of individuals, partnerships and corporations; [Est. 2,500; $2,565,439.41]

(2) The number and dollar value of demand deposit accounts of individuals, partnerships and corporations in which the depositor is located in Fayette County; [Est. 75 to 100; $50,000.00]

(3) The outstanding number and dollar value of commercial and industrial loans; [40 to 50; $190,840.00]

[60-111-148-22—Department of Justice, Feb. 12, 1962, Records Branch, Antitrust—Record]

[1142] (4) The outstanding number and dollar value of commercial and industrial loans in which the borrower is located in Fayette County; [1; $25,000]

(5) The total number and carrying value of trust accounts; [17; $97,369.77]

(6) The number and carrying value of trust accounts which originate in Fayette County. [2; $36,000]

If you have any questions concerning this matter, please feel free to call upon us.

Your cooperation will be greatly appreciated.

Sincerely yours,

LEE LOEVINGER,
Assistant Attorney General,
Antitrust Division.

By LARRY L. WILLIAMS,
Chief, Special Trial Section.

[1143] *In United States District Court*

PLAINTIFF EXHIBIT 105

CITIZENS FIDELITY BANK AND TRUST COMPANY,
Louisville, Kentucky, February 16, 1962.

Mr. LARRY L. WILLIAMS,
Chief, Special Trial Section, Anti-Trust Division, U.S. Department of Justice, Washington, D.C.

DEAR MR. WILLIAMS: In regard to our letter to you January 24, 1962, we would like to include the following information:

Under Item Two, described as fifteen accounts having dollar value, $7,286,549.45, we would say that approximately three quarters of this total would be deposits held for our correspondent banks.

Under Item Four, described as eight loans having dollar value, $1,375,354.61, we might add that these loans made by us are loans which exceed the lending limit of our correspondent banks, which they have referred to us.

Under Item Six, which we described as eight Trust accounts carried on our books, $2,710,505.00, these generally represent situations in which the party setting up the will or trust does not want the information disclosed in the will to become known in his own local area and for that reason, chooses an out-of-town bank.

As a matter of policy, we do not solicit bank or trust business in the areas served by our correspondent banks.

Sincerely yours,

C. P. OSSMAN, *Comptroller.*

CPO:mjo

[1144] *In United States District Court*

PLAINTIFF EXHIBIT 106

TO MR. COURTNEY AND MR. NICHOLS:

Mr. Porter's proposal of August 13 in regard to the merger was read with a great deal of interest, and we feel that a very commendable effort was made by Mr. Porter to arrive at a basis for discussion.

Since we now have a starting point from which to work, may we present to you the attached discussion of the proposal under the following headings:

A. A discussion of the basis of the merger.

B. Suggested adjustment of the base figures.

C. A suggested counter-proposal on the basis of 66⅔% and 33⅓%, involving the suggested adjustments and a distribution of cash and/or property.

D. An alternate proposal on the basis of 62.5%–37.5% with a smaller distribution.

E. Advantages to justify such proposal to stockholders of both institutions.

Respectfully,

LEONARD C. SMITH.
NEILAN THURMAN.

[1145] A. A DISCUSSION OF THE BASIS OF THE MERGER

Mr. Porter, in his report, arrives at the figures of 55% and 45% for distribution of ownership of stock in the new institution. Mr. Porter agrees that many conclusions concerning the adjustments were reached from records and "arbitrary thinking", as he states it, and that there are some areas in which further discussion might be necessary.

We agree with Mr. Porter and feel that there are some other factors which should be taken into consideration in order to ascertain whether our valuations are correct and valid. May we discuss briefly in the following paragraphs several items which might inform us of the fairness of the 55%–45% distribution of stock.

1. *Current Market Values.* We feel that market values are a very important factor to consider, inasmuch as stockholders in buying and selling are also attempting to arrive at a valuation of stock equities, and they take into consideration such factors as book values, earning power, good will and future possibilities. The following is a comparison of present market values:

FIRST NATIONAL: 100,000 shares @ $55	$5,500,000	61.4%
SECURITY: 24,000 shares @ $144	3,456,000	38.6%
	$8,956,000	100.0%

Such figures reflect the attitude of the public and will bear weight in arriving at the market value of the new stock. It might be possible that the 55%–45% suggested distribution would reduce First National stockholders' equities in such a way that their market values would be less after the merger. And Security stockholders might find themselves with stock worth greatly more than before.

2. *Net Operating Earnings.* Earning power is always a significant item, and no doubt has had a definite effect on the market values above.

FIRST NATIONAL: Net operating earnings, 6 year average	$622,128	64.3%
SECURITY: Net operating earnings, 6 year average	344,758	35.7%
	$966,886	
FIRST NATIONAL: Gross Income, 6 year average	$1,484,376	66.9%
SECURITY: Gross Income, 6 year average	734,378	33.1%
	$2,218,754	

You will note we are using net operating earnings as opposed to net profits after all charges. The reason for this is that recoveries, losses, and transfers are not very well subject to comparison between the two banks. For example, it is noted that First National during this particular period has charged off very large amounts of new equipment purchased for expansion. Also, bond losses/gains and reserve transfers are subject to the policies of management and are not always comparable between two institutions at a given period.

The percentage of distribution of the new stock will of course determine how much of this earning power will go to the present stockholders of each institution. The 55%–45% distribution would mean that First National stockholders [1146] would no longer earn as much per amount of holdings after the merger as before, whereas Security stockholders would earn more.*

3. *Dividends.* The same holds true for dividends as for earning power. A 55%–45% distribution would yield less return to First National stockholders and more to Security stockholders.*

(*These facts will be illustrated in the material following.)

It is our opinion, therefore, that the 55%–45% distribution is not entirely equitable and suggests that the valuations and adjustments as proposed may need further scrutiny.

B. SUGGESTED ADJUSTMENTS OF THE BASE FIGURES

1. *Bond Losses.* It is suggested that bond losses should be eliminated from the adjustments in view of the fact that the market adjustment is entirely due to interest rate changes and not risk. When we valued the loans and discounts, interest rates were of course not considered, but rather risk was the determining factor. An adjustment was made for such loans as were doubtful as to collection.

Consequently, we feel that as a going concern our bonds should be reduced in value only if collection is doubtful. We do not plan to liquidate these bonds, nor do we foresee any economic change which could occur before the short maturities of these bonds which would force us to sell. Our maturity schedule is excellent and would amply take care of any economic change which might occur.*

2. It is noted that in the proposed adjustments, provision is made for items of income, expense and profits which are accrued but not showing on the books of the two institutions. However, no provision has been made for income tax on such items. It is suggested that provision for such income tax be deducted from the base figures.

3. *The Buildings.* We do not fully agree that the valuations of $500,000 and $1,000,000 are very indicative of the values of the buildings to the banks as going concerns or *of their value to the merged bank.* Further discussion may be needed to estimate the relative difference in values.

*(Our bond maturity schedule will be shown in a later exhibit.)

[1147] C. A SUGGESTED COUNTER PROPOSAL OF MERGER ON THE BASIS OF SIXTY SIX AND TWO-THIRDS PERCENT TO THIRTY THREE AND ONE-THIRD PERCENT, INVOLVING THE SUGGESTED ADJUSTMENTS AND A CASH AND/OR PROPERTY DISTRIBUTION

It is suggested, as a counter-proposal, that the following adjustments be considered together with the possibility of a

cash and/or property distribution to Security stockholders in order to arrive at a percentage distribution of stock which will insure that equivalent and fair values are transferred to stockholders of both institutions, as much as is possible.

	Security	First
Adjusted capital per Mr. Porter's proposal	$3,605,224	$4,222,650
(1) Add: Net bond losses which were deducted to arrive at the above figures	+19,833	+203,112
(2) Deduct: Accrued income tax on additional net income (Security—$203,000; First National $45,955)	−158,075	−23,807
(3) Add: Additional difference in value of banking buildings		+200,000
Subtotal	$3,526,822	$4,602,845
(4) Less: Cash and/or property distribution of $40 per share to Security stockholders	−960,000	
Total	$2,566,822	$4,602,845
	23½%	66½%

It is felt that a solution similar to the above would enable stockholders of both institutions to retain comparable or increased values, earning power, and dividends. Illustrations will be shown in material following. It would also make possible a capitalization somewhat as follows (using book values only).

Capital Stock (180,000 shares @ 12.50 par)	$2,250,000
Surplus	2,250,000
Undivided profits & reserves, approximately	1,000,000
	$5,500,000

With 120,000 shares to First National stockholders—6 for 5 now held.
With 60,000 shares to Security stockholders—2½ for 1 now held.

On the second sheet following is a list of some advantages to justify such a proposal to stockholders of both institutions.

[1148] D. AN ALTERNATE PROPOSAL OF MERGER ON THE BASIS OF 62.5%–37.5%, INVOLVING THE SUGGESTED ADJUSTMENTS AND A CASH DISTRIBUTION

It is suggested, as an alternate proposal, that the following adjustments be considered together with the possibility of a cash distribution to Security stockholders in order to arrive at a percentage distribution of stock which will insure that equiva-

lent and fair values are transferred to stockholders of both institutions, as much as is possible.

	Security	First
Adjusted capital per Mr. Porter's proposal	$3,065,324	$4,508,630
(1) Add: Net bond losses which were deducted to arrive at the above figures	+19,883	+265,112
(2) Deduct: Accrued income tax on additional net income (Security—$328,991; First National—$45,955)	−156,075	−23,897
(3) Add: Additional difference in value of banking buildings		300,000
Subtotal	$3,929,802	$5,023,845
(4) Less: Cash distribution of $20 per share to Security stockholders	−480,000	
Total	$3,048,802	$5,023,845
	37.8%	62.2%

It is felt that a solution similar to the above would enable stockholders of both institutions to retain comparable or increased values, earning power, and dividends. It would also make possible a capitalization somewhat as follows (using book values only):

A. Capital stock (100,000 shares @ 12.50 par)	$2,500,000
Surplus	2,500,000
Undivided profits and reserves, approximately	1,000,000
	$6,000,000

With 125,000 shares to First Nat. stockholders—12½ for 10 now held.
With 75,000 shares to Security stockholders—3⅛ for 1 now held.

OR

B. Capital stock (192,000 shares @ 12.50)	$2,400,000
Surplus	2,400,000
Undivided profits and reserves, approximately	1,200,000
	$6,000,000

With 126,000 shares to First Nat. stockholders—6 for 5 now held.
With 72,000 shares to Security stockholders—3 for 1 now held.

Attached is a list of some advantages to justify such a proposal to stockholders of both institutions.

[1149] B. ADVANTAGES TO JUSTIFY SUCH PROPOSAL TO STOCKHOLDERS OF BOTH INSTITUTIONS

ADVANTAGES TO FIRST NATIONAL

(1) Retains slightly increased proportion of earning power based on present earnings (not considering future economies and increased earnings).

(2) Retains proportionate position in which new market values will tend to be at least equivalent to the present values.

(3) Retains proper proportion of dividends, with increased dividends in view in the immediate future.

(4) Growth.

ADVANTAGES TO SECURITY

(1) Cash distribution of $20 or $40 per share.

(2) Retains roughly equivalent earning power (in addition to receiving a cash distribution equal to four years' or eight years' dividends).

(3) Will receive enhanced market values by reason of more shares of stock, larger market, and by reason of the goodwill which the market has placed on First National stock.

(4) Will receive equivalent dividends, with increased dividends in view in the immediate future.

(5) Growth.

[1150] *Exhibit (1)—Illustration of Allocation of Earning Power and Dividends According to Different Stock Distributions*

(Based on 1956 earnings and dividends, and assuming a new dividend of $220,000)

	Year 1956	Stock Distributions		
		55-45	62.5-37.5	66⅔-33⅓
Security Stockholders:				
(1) Net profits	192,000	218,700	182,250	182,000
(2) Net operating earnings	280,000	302,200	413,800	372,000
(3) Dividends	120,000	144,000	120,000	108,666
First National Stockholders:				
(1) Net profits	293,000	267,300	303,750	324,000
(2) Net operating earnings	736,000	613,800	697,800	744,000
(3) Dividends	160,000	176,000	200,000	213,333

[1151] *Exhibit (2)—Bond Maturities*

	Par Amount	Cost (Book value)	Description
Feb. 1952	210,000	210,000	C. of I. 2½%
April 1952	1,000,000	1,000,000	C. of I. 2½%
June 1952	1,375,000	1,362,331	Bonds 2½%
November 1960	1,700,000	1,697,827	Bonds 2½%
November 1961	2,340,000	2,314,445	Bonds 2½%
June 1962	2,700,000	2,690,787	Bonds 2½%
October 1962	100,000	100,000	"O" Bonds 2½%
August 1963	1,330,000	1,330,000	Bonds 2½%
	11,054,000	11,004,000	

[1152] *Exhibit (3)—Mr. Porter's Proposal*

FIRST NATIONAL BANK & TRUST CO.,
Lexington, Ky.

This report as submitted indicates a net worth of the First National of $4,508,630 and of the Security $3,665,324. Reduced to the nearest $1,000 the net worth of each is $4,509,000 for the First and $3,665,000 for the Security, a total of $8,174,000. On a percentage basis the amount contributed by First National is 55% and that by Security 45%. The details on which these conclusions have been reached are as follows:

	Security	First National
Capital	600,000	1,200,000
Surplus	1,200,000	1,200,000
Undivided Profits	867,734	1,343,000
Total	2,667,734	3,743,000
Deduct:		
1. Book value of bank buildings, furniture and fixtures	2	725,340
2. Depreciation in securities account	19,553	418,000
3. Losses on notes	2,000	60,000
4. Accrued expenses	7,000	10,000
5. Accrued interest of certificates of deposit		1,130
6. Cash items uncollectable		330
7. Unearned rentals—safe deposit boxes	2,000	2,000
8. Life Insurance Policy	1	
	30,553	1,208,494

	Security	First National
Add:		
1. Current value—bank building	800,000	1,000,000
2. Depreciated value of leasehold improvements, furniture, fixtures, and equipment	75,262	372,945
3. Accrued interest receivable:		
Bonds	27,180	94,424
Notes	88,080	12,675
4. Accrued income receivable:		
Fees and Commissions	148,286	20,816
Service Charges		2,650
Building Rentals		883
5. Unearned discount	4,622	
6. Cash value life insurance policy	23,480	
7. Reserves:		
Special		100,000
Bad Debts	112,986	216,681
Interest on Savings accounts	4,914	
Excess income tax	24,775	
Security valuation	200,000	
Installment loans	7,164	
Prepaid insurance premiums	8,081	
	1,350,942	1,757,196
Add—Other:		
8. To restore partial loss in U.S. Government bond account of First National		161,880
9. To allow 1/2 commissions by Security on principal amounts of old trust estates to be settled	80,000	
[1152a]	1,280,942	1,948,074
Summary:		
Capital, Surplus, and Undivided Profits	2,447,734	3,748,610
Deductions	88,392	1,188,464
	2,414,281	2,560,146
Additions	1,280,942	1,948,074
	3,695,224	4,508,220

[1153] *Exhibit (4)—Accrual of Additional Income Tax*

	Security	First
Additional Expense:		
Losses on notes	−2,000	−50,000
Expenses accrued	−6,496	−10,188
Interest accrued		−1,126
Cash items uncollectible		−210
Unearned rentals	−2,300	−2,993
Additional Income:		
Interest—bonds	+27,120	+44,624
Interest—notes	+36,000	+12,675
Fees	+140,356	+30,816
Service Charges		+2,650
Building rentals		+993
Unearned discount	+4,422	
Cash value life insurance	+28,450	
Commissions	+30,000	
Additional Income	303,991	45,955
Tax at 52%	158,075	23,897

[1154] *In United States District Court*

PLAINTIFF EXHIBIT 107

(Exhibit 1—Mr. Bicks)

REPORT BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM TO THE COMPTROLLER OF THE CURRENCY, UNDER SECTION 18(c) OF THE FEDERAL DEPOSIT INSURANCE ACT, AS AMENDED, ON THE COMPETITIVE FACTORS INVOLVED IN THE PROPOSED CONSOLIDATION OF FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, LEXINGTON, KENTUCKY AND THE SECURITY TRUST COMPANY, LEXINGTON, KENTUCKY

I. THE PROPOSAL

Prior written consent of the Comptroller of the Currency has been requested to consolidate the First National Bank and Trust Company of Lexington, Lexington, Kentucky (deposits $53,175,000 as of October 3, 1960), and the Security Trust Company, Lexington, Kentucky (deposits $15,237,000 as of October 1960), under the charter of the National bank and new title of First Security National Bank and Trust Company of Lexington. Security Trust Company operates only one branch, while the First National Bank and Trust Company

operates three. If the proposed consolidation is effected, the present main office of Security bank and its one branch would become branches of the continuing bank.

II. THE COMMUNITY

Lexington is located in the northeastern portion of Kentucky about 90 miles east of Louisville and 80 miles south of Cincinnati. It is the only incorporated community in Fayette County. The population of greater Lexington has grown from 85,000 in 1950 to an estimated 121,500 in 1960. Historically, the economy of the city has depended primarily on the farming and marketing of tobacco and other activities associated with the breeding and training of thoroughbred race horses. (Over 300 horse farms, including Calumet Farms, are located in the area surrounding the city.) In recent years, however, the character of the city has experienced a transition from a purely agricultural community to one with a semi-industrialized economy. The recent influx of industries is attributable primarily to the easy access to a variety of raw materials and an ample labor force. Some 8,600 persons are now employed by various manufacturing concerns including such nationally known companies as IBM Corporation, Square D Manufacturing, and the General Electric Company. The economy of the community continues sound, well-diversified, and prosperous. Future prospects for continued growth and a high level of economic activity appear to be good.

[1155] III. COMPETITION BETWEEN THE TWO INSTITUTIONS

The main offices of the banks, located in the downtown shopping area are within one block of each other and serve the same trade area. The Eastland Branch and the Southland Branch of the National bank are located 3½ miles east and 3.8 miles southwest of the main office of the National bank, respectively. The Eastland Branch is 2½ miles from the one branch of the Security bank but these two offices are separated by railroad and industrial barriers which preclude any substantial direct competition between them. The Southland Branch of the National bank lies midway between the one mile from each of two pro-

posed branch sites of the Security bank, the approvals of which have been delayed as a result of a legal question of zoning. It is reported that the possibilities of approval by the Commissioner of Banking of Kentucky, prior to the receipt by the Security bank of the approval or denial of the proposed consolidation, are remote. Further, management of the National bank has indicated an unlikelihood of establishing these two branches if the consolidation is consummated.

The remaining third branch of the National bank, the Chevy Chase Branch, is 1.6 miles south of the main office and is sufficiently removed from the one branch of the Security bank to preclude any substantial competition.

Although the types of loans extended by the two banks are similar, the relative volume in some of the various categories vary somewhat. The following table indicates the loan distribution of the two banks by percentage and amounts as of October 3, 1960:

Type of Loan	First National		Security Trust	
	Amount*	Per Cent	Amount*	Per Cent
Mortgage:				
Residential	$3,627	8	$3,440	28
Commercial	4,774	14	1,922	15
Farm property	373	1	250	2
Total Mortgage	27,670	23	25,262	45
Commercial and industrial	6,495	20	3,221	27
Farm loans	2,228	7	116	1
Single payment loans to individuals	4,761	14	895	4
Instalment credit	10,708	32	1,836	15
Other	1,329	4	1,172	8
Total	$33,291	100	$12,492	100

*In thousands.

The following table indicates the similarities of the deposit structures of the two banks as of October 3, 1960:

	First National		Security Trust	
	Amount*	Per Cent	Amount*	Per Cent
Demand	$35,200	66	$9,475	62
Time	12,891	24	4,619	33
Public	4,804	10	743	5
Total deposits	$52,175	100	$15,287	100

*In thousands.

It is estimated that there are 344 depositors common to both banks with total combined balances of $6,776,260.82. Common borrowers are estimated at 121 and their combined loan balances are $4,591,638.46. Both of these combined totals are the equivalent of about 10 per cent of the respective amounts of deposits and loans of the two combined banks.

There are no significant variations disclosed in the amount of interest paid on savings accounts or charged for loans or in the service charge schedules in each of the consolidating banks.

Both banks operate relative sizable, and the two largest, trust departments in Lexington, and it is reported that the resulting bank would hold over 90 per cent of all the trust business in Lexington.

The trust department of the National bank holds 8.2 percent of its own shares of outstanding capital stock and 2 per cent of the shares of the Security bank, while the trust department of the Security bank holds 35.3 per cent of its own outstanding shares and 9.1 per cent of those of the National bank. In addition there are 73 individuals and corporations owning various amounts of stock of both banks. They hold 11.5 per cent of the stock of the National bank and 19.3 per cent of the stock of the Security bank. Therefore, stockholders common to both banks, including the trust departments of each bank, hold 28.8 per cent of the outstanding shares of the National bank and, 56.8 per cent of the shares of the Security bank.

Despite the fact that many persons and corporations have common interests in these two banks, or do business with both, there has not been an attempt by either institution to avoid

competition with the other. On the contrary, the two banks have vied with each other for branch organizations and it is understood that until the subject agreement of consolidation was made (and except for a period of time some three or four years ago when the two banks were considering consolidation) competition has been keen between them for both commercial and trust business. To this extent the proposed consolidation would eliminate competition in the area.

IV. EFFECT ON OTHER INSTITUTIONS

The only banks in Fayette County are located in Lexington. Because of this, and since there are no concentrations of population in other counties close enough to create competition with other banks, the competitive effects [1157] of the proposed consolidation would be confined to the Lexington banks. The following table indicates the loans and deposits of the six commercial banks in Lexington and the number of banking offices of each as of October 3, 1960:

	Deposits		Net Loans		Offices	
	Amount*	Per Cent	Amount*	Per Cent	Number	Per Cent
First National Bank and Trust Company	$53,175	41.0	$32,989	40.0	4	26.7
Security Trust Company	15,237	11.8	12,343	15.0	2	13.3
Combined totals	968,412	52.8	845,332	55.0	6	40.0
Citizens Union National Bank and Trust Company	22,291	17.2	13,628	16.5	4	26.7
Bank of Commerce	17,627	13.6	12,079	14.8	3	20.0
Second National Bank and Trust Company	11,199	8.7	5,379	6.5	1	6.7
Central Bank (NM)	10,028	7.7	6,115	7.4	1	6.6
Totals	$129,364	100.0	$82,533	100.0	15	100.0

*In thousands.

All banks in Lexington except Central Bank operate a trust department. Although the true market value of the trust assets are not known, the following table of the cash value of those assets held by each bank and taken from the most recent reports of examination gives an indication of the relative size of the personal trust business of the five trust departments in Lexington:

	Carrying Values	Per Cent
First National Bank and Trust Company	$35,308,950	40.6
Security Trust Company	32,606,130	53.7
Resulting Bank	$68,875,080	94.3
Citizens Union National Bank and Trust Company	2,316,188	3.7
The Second National Bank and Trust Company	899,808	1.4
Bank of Commerce	359,926	.6
Totals	$62,448,698	100.0

In addition to the 94.3 per cent of personal trust business which would be held by the combined banks, over 90 per cent of the corporate trust business in Lexington is held by the two consolidating banks.

[1158] Through the combined trust department the resulting bank will control the two local newspapers, an estimated 40 to 60 per cent of the real estate located in the primary downtown shopping area, and 56 of the 300 nearby farms comprising 16,299 acres. In addition, it is reported that the directors of the National bank either own or control one of the three local radio stations and one of the two television stations located in Lexington.

In addition to the commercial banks in Lexington, the community is served by four savings and loan associations with total assets of almost $37 million, 11 mortgage correspondents of insurance companies, 16 credit unions, 4 major sales finance companies, 30 small loan companies, and 2 U.S. Government farm lending agencies.

V. CONCLUSION

The proposed consolidation would result in the elimination of the fourth largest of the six banks in Lexington and in a substantial lessening of competition. It would result in a substantial concentration in one institution of banking resources and fiduciary business in Lexington and Fayette County.

[1159] *In United States District Court*

PLAINTIFF EXHIBIT 108

FEDERAL DEPOSIT INSURANCE CORPORATION,
OFFICE OF THE GENERAL COUNSEL,
Washington, November 21, 1961.

Re: U.S. v. First National Bank and Trust Company of Lexington, et al.

Honorable LEE LOEVINGER,
Assistant Attorney General, Antitrust Division, Department of Justice, Washington 25, D.C.

MY DEAR JUDGE LOEVINGER: Your letter of November 16, addressed to Mr. Cocke, has been referred to me for attention and reply.

In accordance with your request, we are enclosing herewith two photocopies of the report of the Corporation to the Comptroller of the Currency, pursuant to Public Law 86-463, on the proposed merger involved in the above litigation. In submitting these copies to you, it is understood that one of the copies will be made available to the defendants, and that either of the parties to the litigation may offer the report into the evidence of the case.

In reviewing the statement, I note that the first sentence on page 5 may be ambiguous. The statement intended to summarize the immediately preceding tabular calculations, and it meant to convey the information that shares owned by the two trust departments and the common shareholders combined constituted more than 50% of the outstanding shares of Security and 28% of the shares of the applicant. The Corporation has no information concerning the beneficial ownership of the shares held in trust.

Sincerely yours,

ROYAL L. COBURN, *General Counsel.*

[60-111-148—22—Department of Justice, Nov. 22, 1961, Records Branch, Antitrust—Record—P.D.]

Enclosures.

[1160] *In United States District Court*

PLAINTIFF'S EXHIBIT 109

ANALYSIS OF COMPETITIVE FACTORS

Under this proposal, the SECURITY TRUST COMPANY, LEXINGTON, KENTUCKY, (hereinafter referred to as Security) is to consolidate with the First National Bank and Trust Company of Lexington (hereinafter referred to as applicant), under the applicant's charter and with the title of First Security National Bank and Trust Company of Lexington, Lexington, Kentucky. The consolidation would not change the number or locations of existing banking facilities. Security's main office and one branch, as well as the applicant's three existing branches, would continue as branches of the resulting bank—all located within Lexington and the branches are not competitively located in relation to each other. However, each participating bank has applications for proposed branches pending which would be located competitively in relation to the other. Proponents advised that if the consolidation would be approved, the pending branch applications would be dropped.

Fayette County is the service area under consideration. The incorporated city of Lexington is the county seat and also the location of all six banks situated within the County. The respective main offices of Lexington's six banks are concentrated within a three block area in the business center of the city. The 62,283 population of Lexington shows a 12.2% gain in the past decade, and the 129,758 County population reflects a 28% growth in the same period. Expansion as an educational, medical, and trading center has been continuous for a long period, and since 1950, the city's industrial development has been stimulated by the establishment of offices and/or manufacturing plants of several national concerns. No new banks have been organized within Fayette County during the last ten years. The last consolidation, as of December 31, 1954, resulted in the present Citizens Union National Bank and Trust Company.

The application claims the proposed consolidation would not lessen the degree of competition locally, but rather that the par-

ticipants and other Lexington banks would gain through community growth which the transaction would stimulate. Proponents further report that no consideration, monetary or otherwise, has been paid, given, or offered to any shareholder, director, or officer of either bank as compensation or inducement for assistance in consummating the proposed consolidation. The application further states that possible merger of the two banks had been under consideration for several years, and that after careful consideration it was mutually agreed the consolidation would be beneficial to the shareholders and customers of both banks and to the community.

Briefly summarized, the application claims the following as motivations to the proposal:

1. Need to attract additional financial resources to the community—claiming growth of local banks has been outpaced by financial needs of the community;

2. Need for a Lexington bank in a position to compete more effectively with larger financial centers—claiming the resultant bank could attract business from larger firms;

3. Need for an increase in the amount of correspondent bank balances—claiming such could be attracted by the resultant bank;

4. Need for greater lending capacity—claiming the lending capacity of the resulting bank would greatly exceed the present capacity of the participants;

5. Need to provide adequately managed financial service in all areas and for management succession—claiming the resultant bank would have management depth at all levels superior to that of the banks separately;

6. Need for efficiency of operation commensurate with the growing economy—claiming automated processes and other efficiencies would be gainful as a joint effort;

[1161] 7. Need for a larger Trust Department—claiming trust business now being attracted by larger, non-local banks would be a potential source to the resultant bank.

The above are predominantly banking factors.

The proposal contemplates a consolidation of the fourth largest bank (Security) in point of deposits with the oldest and largest (applicant) bank. The applicant's history dates from

1865, since which time it has been involved in some twelve mergers, take-overs, and consolidations, the last occurring in 1929. Security was organized in 1886.

The existing proportionate holdings of deposits and loans of all banks within Lexington and serving Fayette County, are shown as follows:

Name of Bank Lexington, Kentucky	No. of Offices	IPC Deposits		Loans	
		Amount (000 omitted)	Percent	Amount (000 omitted)	Percent
Applicant	4	44,998	39.34	32,989	39.97
**Security	2	14,443	12.62	12,343	14.98
Subtotal	6	59,436	51.96	45,332	54.92
Citizens Union National Bank and Trust Company	4	20,670	18.07	13,628	16.51
**Bank of Commerce	2	16,181	13.28	12,079	14.63
The Second National Bank and Trust Company of Lexington	1	10,782	9.43	4,379	5.31
Central Bank	1	8,300	7.26	6,113	7.42
Totals	14	114,369	100	82,533	100

As indicated above, the applicant now holds more than twice the amount of deposits and loans of its largest competitor. On the basis of present size, the consolidated bank would hold 51.9 percent of deposits and 54.9 percent of loans for all banks of Lexington. It would be almost three times the deposit size and more than three times the loan size of the next largest competing bank. The fact that the resultant bank would control a majority of the banking resources in Lexington is recognized in the application. However, the proponents aver the proposal is neither a protective move as to the participating banks' deposits, nor an attempt to further their competitive position within Lexington; but rather a means to provide a larger loan limit and an inducement to larger deposits through compensating balances from national and other large concerns now doing business in Lexington.

Our investigating examiner notes the effect of the consolidation would raise the deposits of the applicant to more than 50 percent of all deposits in Lexington, and that from the standpoint of control of available resources, this would appear to lessen competition.

The proposed consolidation has been protested verbally by representatives of each of the four other banks in Lexington. These representatives, at a meeting in our Washington office stated they had visited the Office of the Comptroller of the Currency and the Department of Justice, and were going to contact the Federal Reserve Board for the same purpose. They also plan to incorporate written objections over their joint signatures. (One such letter has been received.)

A strong demand for credit in the Lexington area is indicated by the foregoing schedule which shows that loan totals equal about 70 percent of combined IPC deposits for all the banks. Four savings and loan associations operate within the city with investment shares totalling $36,800,000 and loans of $34,300,000. In addition, there are numerous insurance companies, personal loan companies, governmental agencies, and credit unions active in the lending field in this area.

The legal lending limits of the participating banks and that of the proposed consolidated bank based on capital reveals the following comparison:

[1162]

	At Present, on an Unsecured Basis	Combined Unsecured Loan Limit, Based on $6 million common capital and surplus
Applicant	[illegible]	
Security	[illegible]	
	[illegible]	[illegible]

The application reveals that the only major disparity in the types of loans handled by the participating banks is the amount made by Security to brokers as compared with such volume extended by the applicant. It further lists about 12 borrowers who use the maximum credit line available at the applicant, or major portions thereof, who also have established and use larger lines of credit at other banks outside of Lexington. This and other data suggest there exists demand for credit beyond the legal limits of the participating banks. However, it is significantly noted that the legal limit of the consolidated bank would be some $190,000 less than the combination of the respec-

tive participants at present. Moreover, based on a pro forma statement, the resultant bank would have a loan volume exceeding 57% of its total resources. Thus, any increase in lending capacity would not be well founded unless accompanied by sizeable deposit growth. The application stresses that correspondent business can be diverted from such points as Louisville, Kentucky, Cincinnati, Ohio and other large cities. On a projected basis, it would require about a ⅛ increase over deposits now held by participating banks to reduce the loan to total assets ratio to 50% at the resultant bank. Applicant is the only Lexington bank that maintains a correspondent bank department, and its deposits from other banks represent only 4% of total deposits. It is planned to expand correspondent relations. However, noting the location of Lexington and the fact it is not a reserve city, our examiner does not share the proponents' optimism for growth in this category.

Based on the investigation report and the application, five of the Lexington banks have similar and competitive service charges and interest rates. Central Bank, the smallest in Lexington, reportedly does not usually have any service charges on deposit balances. Basically, the interest rates and service charges of the resultant bank would follow the rates now levied by the applicant.

All but one of the banks in Lexington have trust departments. Based on the latest available information, respective holdings of trust assets are as follows:

	Trust Assets (000 omitted)	% of the Total Trust Assets
Applicant	28,053	42.6
**Security	34,455	52.4
Subtotal	62,498	95.0
Citizens Union National Bank & Trust Co.	2,304	3.5
**Bank of Commerce	389	.6
The Second National Bank & Trust Co.	622	.9
Central Bank	0	0
Totals in six banks	65,793	100

There are 344 common depositors with combined deposits of $6,776,260 in the participating banks according to the applica-

tion. It further reports 121 common borrowers with combined loan balances of $4,591,638. The close relationship of the participating banks is further exemplified by the following summary of shareholdings:

	Shares of Applicant	Shares of Security
Total number of shares outstanding	100,000 ($1,220,000)	40,000 ($1,000,000)
Number of shareholders	639	292
73 common shareholders own	11,521	7,709
Applicant's trust department	8,210	812
Security's trust department	9,080	14,203
Number of shares in common ownership	28,701	22,724

[1163] Including the shares held in trust accounts, shareholders of the applicant hold in excess of 50% of the outstanding stock in Security; and, the individual owners and trust department of Security hold about 28% of the applicant's outstanding stock. The application certifies that no director or officer of the applicant, and no director or officer of Security owns 5% or more of the stock of any bank; and further, that no pension or profit sharing trust established or administered by either bank owns 5% or more of the stock of any bank. Also, neither of the participating banks is affiliated with or has a stock interest in any other bank.

SUMMARY

Applicant is now the largest bank in Lexington and Security the fourth in size as to deposits and loan volumes. Together, their IPC deposits and loan volumes, exceed similar categories for the other four Lexington banks combined. These participating banks are in a highly competitive position with each other. The proposed consolidation is reportedly aimed to generate considerable deposit business not now held by local banks. Any estimate thereof would be highly conjectural. The consolidation also reportedly would develop more lending capacity. The participating banks already possess relatively high portions of their respective total resources in loans. Deposit growth, necessary to permit any prudent expansion of the loan volumes, would need be sizeable, and as such further the con-

centration of deposits in the consolidated bank as related to other banks in Lexington. Moreover, the legal lending limit to an individual borrower on an unsecured basis would actually be less at the consolidated bank than the present combined legal limits of the respective participants. The applicant now has the largest lending base of the Lexington banks, and Security's is equal to any of the other four banks. Consolidation of the respective trust departments would follow a similar pattern of further concentration, but to a much higher degree. Based on available information, the participating banks hold by far the major portion of trust assets of Lexington banks, and the consolidated bank would hold about 95% of all trust assets in Lexington banks.

Supervising Examiner Dunn has expressed the opinion that the evidence indicates the proposal would be a tendency toward monopoly. Under the circumstances, the effect of the proposal on competition appears to be adverse; although as yet there is no conclusive evidence of a tendency toward monopoly.

[1164] *In United States District Court*

PLAINTIFF EXHIBIT 110
(Exhibit 3)

DEPARTMENT OF JUSTICE,
ASSISTANT ATTORNEY GENERAL,
Washington, January 3, 1961.

Honorable RAY M. GIDNEY,
Comptroller of the Currency,
Treasury Department,
Washington 25, D.C.

DEAR MR. GIDNEY: This replies to your letter to the Attorney General dated December 2, 1960,[1] in which you request a report of the competitive factors involved in the proposed consolidation of the First National Bank and Trust Company of Lexington, Kentucky, and the Security Trust Company, also

[1] Letter of request from H. S. Haggard, Acting Comptroller of the Currency, to William P. Rogers, dated December 2, 1960, enclosing application for approval to consolidate and various statements with respect to the condition of the banks and the competitive situation in the area serviced by such banks.

of Lexington, Kentucky. Such request was made pursuant to the provisions of Public Law 86–463.

After special consideration of this matter, the Department feels that the proposed consolidation will eliminate essential and substantial competition between two major banks in the Lexington area, and will tend toward, if not create, monopoly power for First National which may have the effect of eliminating further competition in the area.

Representatives of each of the other competing Lexington banks have complained to the Department that the proposed consolidation will not only have serious anticompetitive effects upon their banking businesses, but will also create monopolistic powers and controls over certain non-banking enterprises in the area. Upon these complaints and upon other information brought to the Department's attention, an investigation has been initiated to determine whether or not this consolidation will result in violations of the Sherman Act and other antitrust statutes. You will be informed of any action which the Department may take in this particular.[2]

[1165] The following is a detailed report of the Department's findings and conclusions based primarily upon the information which you have furnished to it. As further facts are developed, we may wish to amend this report.

1. The Appropriate Competitive Banking Area

According to the application papers, the appropriate service area of both First National and Security is the metropolitan area of Lexington, more specifically defined as Fayette County.[3] Lexington is the county seat, the second largest city in the State, and is considered the educational, agricultural and commercial center of central Kentucky. It is one of the largest

[2] It should also be noted that three stockholders of Security Trust petitioned the Fayette County Circuit Court on December 19, 1960 for a temporary injunction preventing the consolidation on grounds that the transaction would lessen the value of their interests in Security, that the merger stock ratio was unfair, that no independent audit or appraisal of the assets had been made and that the merger would result in a less efficient, less profitable operation than that presently conducted by Security Trust.

[3] The U.S. Census considers all of Fayette County to be designated as the Lexington metropolitan area.

loose-leaf tobacco and bluegrass seed markets in the country and the chief center for the breeding of thorough bred, standard bred and saddle horses, as well as the home of the University of Kentucky and large state and federal medical centers. Its metropolitan population runs over 137,000, an increase of some forty per cent in the past ten years. According to a recent study made by the General Telephone Company of Kentucky,[4] this area is experiencing a rapid growth in population and commerce, and is attracting national attention because of its economic, climatic and transportation advantages. Already, large national concerns such as International Business Machines, General Electric, Procter & Gamble, and the major tobacco companies have established plants in the area. The Lexington Chamber of Commerce has reported[5] that in 1958, total retail sales for Fayette County were 170.4 million, wholesale trade sales were over 211.6 million and value added by manufacturing units in the area reached 80.3 million. Total payroll for this community was over 75 million. In sum, Fayette County is a substantial business community which is rapidly increasing in size and importance in Kentucky, and which is quite capable of sustaining vigorous competition among the six commercial banks presently existing in the area. [1166] Metropolitan Lexington is also an isolated urban community, being entirely surrounded by many miles of farmland. There are a few smaller cities some twenty to fifty miles radius of Lexington, such as Frankfort, Winchester, Richmond, Berea and Paris, but their banks provide services for their local populations, and do not appear to be competitive with the Lexington banks in the Fayette County area. There are major banking services in Louisville, and in Covington, both some ninety miles distant from Lexington, but again, it does not appear that the banks in these cities provide any substantial competition, except as they may participate with the Lexington banks with respect to certain large financing. Therefore, the relevant market within which the effect upon competition of the consolidation should be measured appears to be the

[4] THE LEXINGTON STORY, September 1, 1959, released for publication by the General Telephone Company of Kentucky.

[5] Exhibit (M) attached to pages 23 and 24 of the application papers.

metropolitan Lexington area, otherwise known as Fayette County. Applicants have used this market in describing the effects of their proposed consolidation upon competition.[4]

2. The Positions of the Consolidating Banks in the Competitive Area

First National has been the largest bank in Lexington for many years. It presently accounts for over 41% of the dollar volume of all IPC deposits, about 40% of the dollar volume of all loans and discounts, and almost 41% of the dollar value of all assets, among the commercial banks operating in the banking service area. Of particular note, it appears that First National handles over 42% of the dollar value of all trust accounts in the area. In addition, its combined capital and surplus totals over 2.5 million, which, under the National Bank Act, entitles it to a lending limit of 250 thousand dollars for any one borrower. For the year 1959, its earnings amounted to about 2.7 million dollars, with a net income before taxes of 945 thousand dollars, an increase of almost 40% in five years. In addition to its main office, First National operates three branches, all located within the city of Lexington. The bank carries on all services normally associated with commercial banking.

Security is the fourth largest bank in Fayette County, accounting for around 11.7% of all IPC deposits, 15% of all loans and discounts and about 14% of total assets in the banking service area. Though smaller in size than First National, it nevertheless handles almost 52% of the dollar value of trust accounts in the area. Not being subject to the limitations of the National Bank Act, its lending limit is considerably higher than that of First National: 440 thousand to any one customer on an unsecured basis, and 660 thousand on a secured basis. It has combined capital and surplus of 2.2 million, with total earnings in 1959 of some 1.2 million dollars, and net income before taxes of over 700 thousand dollars, an increase in net income of almost 50% in five [1167] years. Security has its main office in Lexington, and has one branch, also in Lexington. As in the case of First National, it carries on all normal commercial banking services.

[4] Pages 15 and 16 of the application papers.

According to the application papers, neither bank has been involved in any mergers or consolidations during the past ten years. There is no common management, nor common officers or directors, as between the two banks. Common ownership of stock of the consolidating banks appears insubstantial. It would seem from the record that First National and Security are strong, healthy independent banks, competing vigorously for accounts in a growing community which is sufficiently prosperous to accommodate such competition.

The following is a compilation of data concerning existing competition in the banking service area, together with a description of the competitive situation as between the consolidating banks and the effect of such consolidation upon existing competition.

Data With Respect to All Banks in the Area

Name of Bank	IPC Demand Deposits	IPC Time Deposits	Loans & Discounts
First National	$22, 412, 000	$12, 881, 000	$32, 980, 000
Citizens Union	14, 865, 000	5, 805, 000	13, 628, 000
Bank of Commerce	9, 969, 000	5, 212, 000	12, 079, 000
Security Trust	9, 434, 000	5, 019, 000	12, 343, 000
Second National	6, 192, 000	4, 590, 000	5, 379, 000
Central Bank	5, 405, 000	2, 895, 000	6, 115, 000
Total All Banks	$78, 367, 000	$36, 102, 000	$82, 533, 000
Combined Banks (First Natl and Security Trust)	41, 836, 000	17, 900, 000	45, 332, 000
Percentage of Total	53. 4%	48. 7%	54. 5%

[1168]

Name of Bank	Assets [2]	Trust Accounts [3]
First National	$67, 447, 211	$28, 634, 000
Citizens Union	28, 464, 421	2, 803, 000
Bank of Commerce	22, 819, 403	360, 000
Security Trust	21, 112, 938	34, 466, 000
Second National	13, 206, 200	895, 500
Central Bank	12, 099, 325	none
Total All Banks	$165, 148, 700	$86, 258, 500
Percentage of Total	53. 6%	94%
Combined Banks (First National and Security Trust)	$88, 559, 419	$62, 400, 000

[2] Asset information obtained from Polk's Bank Directory, 131st Edition, March 1960.
[3] Trust information obtained from Comptroller of the Currency.

[1160] *Analysis of Loan and Deposit Accounts of Consolidating Banks*

(Amounts in thousands)

Analysis of Loan Account	First National	Security
Commercial and industrial loans	6,495	3,221
Loans to farmers (not on real estate)	2,226	116
Single payment loans to individuals	4,781	825
Total	13,502	3,942
Loans on farm real estate	372	280
Loans on residential property—FHA and GI	9	28
Loans on residential property—not guaranteed	3,519	3,407
Loans on business and other property	4,774	1,982
Total	7,673	4,592
Loans to brokers and dealers in securities	5	69
Installment loans on automobiles	6,625	897
Installment loans on consumer goods	422	253
FHA—Title I loans	2,805	886
Other installment loans	1,062	480
Total	10,708	1,939
All other loans	1,324	1,196
Loans and discounts—Gross	33,281	12,493
Less reserves	303	182
Loans and discounts—Net	32,980	12,342
DEMAND DEPOSITS		
Individuals, partnerships and corp	32,412	9,454
United States Government	1,117	200
State & political subdivisions	3,857	175
Banks	2,662	30
Certified and officers' checks	826	42
	40,004	10,042
TIME DEPOSITS		
Individuals, partnerships, and corp	12,581	5,619
United States Government	160	.....
States and political subdivisions	430	175
Total time deposits	13,171	5,194
Total deposits	53,175	15,237

[1170] *Schedule of Trust Department Holdings of Consolidating Banks*

(Amounts in thousands)

	First National		Security		Combined	
	No.	Amount	No.	Amount	No.	Amount
Administration	29	$8,776	29	$2,803	58	$11,577
Testamentary trusts	123	11,281	208	14,689	331	25,971
Committee*	10	688	14	170	24	858
Guardian*	15	195			15	195
Voluntary trusts	112	32,680	305	7,697	417	40,377
Custody, W.I.S.	20	1,230	106	5,777	126	7,007
Agency or safekeeping	24	728	5	1,450	29	2,178
Escrow	23	289			23	289
Bond or debenture issues	5	15	10	1,602	15	1,617
Paying agency	10	97	0		20	97
Transfer agency	3		5		8	
Registrar	5 (270,000 shares)		5 (1,494,527 shares)		10	
	5 (704,000 shares)		5 (1,116,135 shares)			
Totals	378	$89,084	745	$34,487	1,116	$93,499
	No.	Acres	No.	Acres	No.	Acres
Farms in trust or held for management	28	11,642	28	4,737	56	16,379

*Combined under Committee for Security Trust.

[1171] *3. Anticompetitive Effects of the Proposed Consolidation*

An analysis of the above compilation of essential banking data shows quite clearly that this consolidation will eliminate direct and substantial competition as between the two banks with respect to demand and time deposits, commercial, industrial and residential loans and trust accounts. Both banks appear to have enjoyed substantial profits over the years during a period when they have been vigorously competing for accounts. Furthermore, the commercial character and strength of metropolitan Lexington appears to be sufficient to support such competition. It is, then, particularly questionable whether this active competition should now be removed, especially at a time when Lexington is in a period of rapid growth and commercial expansion.

Most important, the proposed consolidation will increase the strength and size of First National to over 52% of all deposits, loans and assets among commercial banks in the area, and will

bring it into control of over 90% of all trust accounts in the area. The Department feels that such increase, especially with respect to trust accounts, would create a serious tendency toward monopoly power for First National and may, upon further inspection, be enough to constitute monopolization by First National of all commercial banking in the service area. The impact of First National's combined power, if the consolidation is effected, is particularly serious in the light of the structure of remaining competition. First National will be three times as large as its next competitor, Citizens Union, and four to five times as large as each of the remaining three banks. Such a condition may well excite additional mergers and cause further substantial lessening of competition in the service area.

The banking representatives who have complained to the department are particularly concerned with the economic power which would be effected by the combination of trust accounts by the two banks. Much of these accounts involve the ownership and administration of real property and businesses within the Lexington area. For example, it is alleged that the owner of the community's only two newspapers died a year ago and left his controlling interest in trust with Security whose President was to be a voting trustee, along with two other trustees, the attorney for First National and the manager of the newspaper. With the consolidation, it is charged that First National will control newspaper advertising and dissemination of news in the Lexington community. Similar complaints have been made with respect to the combined banks potential control over farmlands (over 16,000 acres), commercial establishments, tobacco sales, and hundreds of employees who are involved in administering these trust interests. Such matters are an essential part of the Department's present investigation into possible violations of the antitrust laws.

[1172] In sum, the Department reports that the proposed consolidation will very substantially lessen effective competition between the subject banks and will tend towards or possibly create monopoly power over banking by First National in the appropriate banking service area. Because of this, the proposed consolidation should not be approved.

A summary of this report is attached in accordance with the provisions of Public Law 86–463.

Sincerely yours,

ROBERT A. BICKS,
Assistant Attorney General, Antitrust Division.

[1173] SUMMARY OF THE REPORT OF THE DEPARTMENT OF JUSTICE ON THE COMPETITIVE FACTORS INVOLVED IN THE PROPOSED CONSOLIDATION OF FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, LEXINGTON, KENTUCKY, AND SECURITY TRUST COMPANY, LEXINGTON, KENTUCKY

This proposed consolidation will eliminate direct and substantial competition between the two banks with respect to demand and time deposits; loans and discounts, and trust accounts. It will substantially increase First National's already dominant position in the banking area to 52% of all deposits, 54% of all loans and 53.6% of all assets, as among the commercial banks. In addition, it would give First National control over 94% of the dollar value of trust accounts in the area.

Lexington, Kentucky, is a healthy, rapidly growing agricultural, educational and commercial center whose financial and commercial condition is quite capable of supporting vigorous competition among its existing banks on a profitable basis. This proposed consolidation, however, will not only eliminate a substantial factor in that competition but it will effect a situation which tends towards, and perhaps actually creates, monopoly banking power in the hands of the already dominant commercial bank. Such power is made all the more strong by the extraordinary control the new bank will have over trust accounts, much of which involves controlling ownerships in many agricultural and commercial businesses in the area.

In view of the serious anticompetitive effects which this consolidation may have on the community and in response to a number of complaints made to the Department in connection with this matter, the Department has initiated an investigation to determine whether the proposed consolidation will create any violations of the antitrust laws.

[1174] *In United States District Court*

PLAINTIFF EXHIBIT 111

RAB:CDR, 60-111-148

JANUARY 10, 1961.

MR. LEROY MILES,
President,
First National Bank and
Trust Company,
Lexington, Kentucky.

DEAR MR. MILES: Pursuant to Public Law 86-463 the Comptroller of the Currency recently requested from the Department a report on the competitive factors involved with respect to your proposed consolidation with the Security Trust Company. After consideration of this matter, the Department advised that such consolidation should not be approved. It further reported that this combination would appear to substantially lessen competition, not only as between the combining banks, but also as between all banks in the competitive area, and would tend towards and possibly create monopoly power over banking by the new bank in such area.

The Department also advised that in view of the serious anti-competitive effects which this consolidation may have on the Lexington area, and in response to a number of complaints made to the Department in connection with the matter, it had initiated an investigation to determine whether such consolidation would create any violations of the federal antitrust laws.

As soon as this investigation is completed, we will inform you as to what, if any, action the Department intends to take with respect to the consolidation.

Sincerely yours,

ROBERT A. BICKS,
Assistant Attorney General,
Antitrust Division.

[1175] *In United States District Court*

PLAINTIFF EXHIBIT 112

EWTURNER:NCS,
January 10, 1961.

RAB:CDR,
60-111-148

Mr. E. S. DABNEY,
President,
Security Trust Company,
Lexington, Kentucky.

DEAR MR. DABNEY: Pursuant to Public Law 86-463 the Comptroller of the Currency recently requested from the Department a report on the competitive factors involved with respect to your proposed consolidation with the First National Bank and Trust Company. After consideration of this matter, the Department advised that such consolidation should not be approved. It further reported that this combination would appear to substantially lessen competition, not only as between the combining banks, but also as between all banks in the competitive area, and would tend towards and possibly create monopoly power over banking by the new bank in such area.

The Department also advised that in view of the serious anticompetitive effects which this consolidation may have on the Lexington area, and in response to a number of complaints made to the Department in connection with the matter, it had initiated an investigation to determine whether such consolidation would create any violations of the federal antitrust laws.

As soon as this investigation is completed, we will inform you as to what, if any, action the Department intends to take with respect to the consolidation.

Sincerely yours,

ROBERT A. BICKS,
Assistant Attorney General,
Antitrust Division.

[1176] *In United States District Court*

PLAINTIFF EXHIBIT 113

THE FOUNDATION FOR COMMERCIAL BANKS

What it is and what it can do for you

Full Bank Service

[1177] BOARD OF TRUSTEES

Chairman: L. M. Schwartz, President, Citizens State Bank, Paola, Kansas.

Vice Chairmen: Morris R. Brownell, Jr., Vice Pres., The Philadelphia National Bank, Philadelphia, Pennsylvania; William H. Moore, Chairman of the Board, Bankers Trust Company, New York, New York; Seward D. Schooler, President, Coshocton National Bank, Coshocton, Ohio; Lloyd L. Austin, President, Security First National Bank, Los Angeles, California; R. D. Banks, President, The First National Bank, Superior, Wisconsin; J. W. Bellamy, Jr., President, National Bank of Commerce, Pine Bluff, Arkansas; Gaylord A. Freeman, Jr., President, The First National Bank of Chicago, Chicago, Illinois; George Goodwin, Vice President, The First National Bank, Atlanta, Georgia; William R. Kennedy, President, The Union Market National Bank, Watertown, Massachusetts; Royal L. Mullins, President, The Wolfe City National Bank, Wolfe City, Texas; J. Harvie Wilkinson, Jr., President, State-Planters Bank of Commerce & Trusts, Richmond, Virginia;

Executive Secretary: Rogers H. Woods, Jr.

[1178] FOREWORD

This pamphlet has been prepared to acquaint all bankers with the organization and basic objectives of the Foundation for Commercial Banks. We feel it will provide you with a better understanding of why the Foundation was started in 1958 and what it is working to accomplish for your bank and your industry . . . and why it should be supported by every commercial bank in the U.S.

[1179] WHAT IS THE FOUNDATION FOR COMMERCIAL BANKS?

The Foundation for Commercial Banks is a voluntary non-profit organization, incorporated under Delaware laws, to conduct a strong national advertising program on behalf of all commercial banks.

The purpose of this program is:

1. To show to the American public the important part played by commercial banks and bankers in the prosperity and welfare of the individual, the family, business and industry, and the community; and as a result, to improve the attitude of the public toward banks and bankers, locally and nationally.

2. To sell the broad scope of services offered by Commercial Banks and only by Commercial Banks and, in so doing, to induce more and more people to use more and more of those services.

This national advertising campaign is conducted in Life and The Saturday Evening Post. These are mass-circulation magazines which most banks, individually, cannot afford to use. The advertising tells all Americans about the great personal advantages each and every individual gains by doing business with a Full-Service Commercial Bank.

[1180] WHY SHOULD COMMERCIAL BANKS ADVERTISE AS A GROUP?

Bankers throughout the nation have long felt the need for a strong unified effort to improve our industry's position in the eyes of the public and to check the serious inroads being made by growing non-bank competition.

As one leading banker has put it—"Historically, banks handled the money of the wealthy. Now the principal customer for economic goods is the average American. Bankers know that, to serve at all, they must serve a mass market."

We're all very much aware of how competitive institutions—savings and loan organizations, credit unions, mutual savings banks—have used national advertising to help gain a substantial share of the money market in the past few years. The chart below shows the relative twenty-year growth of our assets as compared with those of our competitors.

*Assets of Financial Institutions**

[Billions of dollars]

	Dec. 1940	Dec. 1959	Percentage increase
Commercial Banks	67.0	264.7	295%
Mutual Savings Banks	22.0	53.0	241%
Savings and Loan Associations	5.7	71.5	1254%
Credit Unions	0.3	2.0	667%

*Source: Credit Union Yearbook, Federal Reserve Bulletin, Statistical Abstract of the U.S.

[1181] The figures on the preceding page point up our problem. The task now facing us is to maintain our rightful share of the financial business of the country. To do this, we must tell our story, over and over again, in the most persuasive terms possible and to as many customers and potential customers as possible.

National advertising is the most direct and lowest cost tool at our command to do this broad-scale educational job—a job no bank can do alone.

How Banks Are Cooperating in This Important Program

Since the Foundation for Commercial Banks was organized in 1958, more than 5,600 banks have joined and are currently participating in the program. This steadily growing membership represents country and city banks, banks of all sizes, banks in all parts of the nation. You can see the diversity of membership when you realize that 73% of members have deposits under $10 million. On the other hand, 75% of the nation's 300 largest banks are also subscribers.

The present membership in the Foundation represents 70% of all commercial bank deposits in the U.S.

Our goal is to have every commercial bank in America a member of this vital program.

[1182] Organizational Structure of the Foundation for Commercial Banks

The Foundation for Commercial Banks is administered by a board of 12 Trustees—one from each Federal Reserve District.

Each of these 12 Trustees also serves as District Chairman and has working with him a number of State Chairmen. Each State Chairman in turn heads a team whose duty is to help enroll new members and to keep individual member banks advised on the activities of the Foundation. All of these bankers—Trustees, District Chairmen and State Chairmen—serve on a volunteer basis without compensation of any sort.

THE ADVERTISING ADVISORY GROUP

Another important arm of the Foundation is its Advertising Advisory Group. This group, which also serves on a volunteer basis, is composed of leading bank executives across the nation who are responsible for advertising and new business activities in their own banks.

The function of the Advertising Advisory Group is to assist the Trustees in the review of advertising proposals. And, in addition, to make recommendations for continual development and improvement of the program.

[1183] THE ADVERTISING PROGRAM—ITS PLATFORM; ITS SCOPE; ITS HELP TO INDIVIDUAL BANKS

Here is the promise the Foundation for Commercial Banks extends to your customers and prospects in national advertising:

> A full-service commercial Bank offers its customers unique benefits—benefits which no other financial institution can completely duplicate. These benefits are both tangible and intangible. Only at a full-service Bank can customers obtain checking accounts, savings accounts, home loans, personal loans, car loans, farm and business loans, and other financial services all under one roof.
>
> But of equal importance, in addition to benefits from these specific services, men and women who deal with a full-service Bank build a personal record not only of their financial progress and standing; but of their personal reputation in the community as well. Their relationship with a commercial Bank is the best financial and character reference they can produce.

This platform in the form of warm, persuasive advertisements, appears in national magazines that millions of men and women read every month. It is that personal, mutually helpful relationship between banker and client around which our current advertising series is built—that unique personal relationship which commercial banks and commercial banks alone can offer daily to millions of Americans.

The advertisements say things for and about commercial banks and bankers nationally that they are not in a position to say for themselves.

[1184] Each and every advertisement also clearly defines the full-service commercial Bank to customers and prospects.

Here it is:

WHAT IS A FULL-SERVICE BANK?

It's simply a complete Bank, a commercial Bank. For unlike many financial institutions that offer only limited services, a full-service commercial Bank handles all your money needs. These services include, savings accounts, checking accounts, personal loans, car loans, home loans, business and farm loans. By using these services you build your Personal Standing in your community. Look for a full-service commercial Bank in your neighborhood.

FULL-SERVICE ADVERTISING FOR LOCAL USE—A VALUABLE TOOL FOR INDIVIDUAL BANKS

To help banks obtain maximum benefits from the national program, the Foundation makes available, at cost, advertising and sales aids for local use which tie in with the magazine advertising. More than 1,000 banks are already using this advertising and promotional material.

These aids include:

MATS

. . . . adaptations of the magazine campaign in mat form for local newspaper use

. . . . mats of full-service advertisements specially prepared for local use

COUNTER CARDS
. . . for display in bank lobbies and windows

REPRINTS
. . . of the magazine advertisements that can be mailed to customers and prospects

[1185] ENVELOPE ENCLOSURES
. . . for mailing with statements

TV AND RADIO COMMERCIALS
. . . for local stations

POSTAGE METER SLUGS
. . . . with the 7-star FCB emblem and "Full-Service" slogan

DECALS
. . . for bank doors and windows. Small size for cars

The Foundation periodically prepares a catalog showing materials adapted from the magazine advertisements for a three-month period. This catalog is sent to members six weeks before the advertisements appear and contains ordering instructions and prices.

Banks are invited to send in ideas to broaden this local effort.

THE FOUNDATION'S PROGRAM IS LONG RANGE

Because of the size of the job to be done and the millions of people to be reached and influenced, the Foundation realized from the start that it could not hope to achieve its objectives overnight.

The advertising, to date, has been "soft" rather than "hard" sell . . . has been aimed to create an atmosphere of warmth and friendly service. It has left the "hard" selling of individual services to individual banks, to be handled as their local competition and local needs dictate. Thus the national advertising prepared by the Foundation, and your local new business and advertising activities go hand in glove, reinforcing and supplementing each other.

[1186] How To Join the Foundation for Commercial Banks

To become a member of the Foundation for Commercial Banks and to participate in this program, write for details to: The Executive Secretary, Foundation for Commercial Banks, Philadelphia National Bank Building, Philadelphia 1, Pennsylvania.

The annual subscription cost is modest indeed. The time to act is now. Help to maintain and increase the Commercial Banks' rightful place in the economy . . . and at the same time strengthen your bank's position in your own community. Send for details today:

[1187] Full Bank Service

The Commercial Banks of the U.S.—Members Foundation for Commercial Banks, Philadelphia 1, Pa.

[1188] *In United States District Court*

PLAINTIFF EXHIBIT 114

JOIN US IN A COOPERATIVE NATIONAL ADVERTISING PROGRAM FOR BANKS

Foundation for Commercial Banks, Philadelphia National Bank Building, Philadelphia 1, Pa.

[1189–1190] Foundation for Commercial Banks

WE URGE YOU TO JOIN US NOW!

Many bankers have long felt the need for a cooperative national public relations program for commercial banks. The first step to meet this need was taken two years ago by launching the successful national publicity campaign conducted by the ABA.

Now we are taking another important step through cooperative national advertising. It has two main purposes:

1. To show the important place of the commercial bank and banker in the prosperity and welfare of the individual, the family, business, and the community, and thus to improve the attitude of the public toward the bank and banker, locally and nationally.

2. To sell the multiple services offered by the commercial bank and thus induce more people to use our services in preference to those of our competitors.

The bankers comprising the Board were appointed by the President of the ABA as an independent group to represent the 2,799 banks which signified their support for cooperative national advertising in a survey by the ABA. These banks have $95 billion of deposits, or nearly 50 per cent of the nation's total commercial bank deposits. We represent country and city banks of all sizes, in all parts of the nation.

The non-profit Foundation to conduct the advertising program has been established and we are now under way. Our cooperative advertising is being developed in the interests of *all* banks offering commercial bank services. It will be for *you*.

We urge you to join us now in this action to further commercial banking.

BOARD OF TRUSTEES

Chairman: Morris R. Brownell, Jr., *Vice Pres.*, The Philadelphia National Bank, Philadelphia, Pennsylvania.

Vice Chairmen: Gaylord A. Freeman, Jr., *Vice Pres.*, The First National Bank of Chicago, Chicago, Illinois; L. M. Schwartz, *President*, Citizens State Bank, Paola, Kansas; Lloyd L. Austin, *President*, Security First National Bank, Los Angeles, California; R. D. Banks, *President*, The First National Bank, Superior, Wisconsin; J. W. Bellamy, Jr., *President*, National Bank of Commerce, Pine Bluff, Arkansas; George Goodwin, *Vice President*, The First National Bank, Atlanta, Georgia; William M. Lockwood, *President*, Howard National Bank & Trust Company, Burlington, Vermont; William H. Moore, *Chairman of the Board*, Bankers Trust Company, New York, N.Y.; Royal L. Mullins, *President*, The Wolfe City National Bank, Wolfe City, Texas; Seward D.

SCHOOLER, *President*, Coshocton National Bank, Coshocton, Ohio; PAUL WRIGHT, *President*, Durham Bank & Trust Company, Durham, North Carolina.

[1191–1192] OUR NATIONAL ADVERTISING WILL HELP US MEET OUR GROWING COMPETITION

Commercial banking has grown rapidly but our competition has grown faster.

Savings and loan associations and credit unions, to name but two competitors, are aggressive, have been growing faster than we, and both use cooperative national advertising.

While we have been growing, we have lost ground to others. Our percentage share of total assets of the nation's financial system, of business loans and investments, of savings accounts, of farm mortgages and non real estate farm loans, of consumer installment loans and residential mortgage loans—all have declined.

Only about 50 per cent of American families now have either savings or checking accounts.

Research for the ABA shows a large part of our population is unaware of the variety of services offered by commercial banks, does not understand the importance of the bank and banker to the individual and the community, and is confused about different kinds of financial institutions. Confusion regarding the institutions and the services they offer is particularly pronounced in the savings field.

We must sell more people on the advantages of doing a complete banking business with their community commercial bank. In fact, we must let all people know that banks are important to them even if they are not now using any bank service. Our advertising will help accomplish these things and will help us meet our growing competition.

THE MARKETS FOR OUR SERVICES ARE GROWING RAPIDLY—

WILL YOU BENEFIT FROM THIS GROWTH?

Increasing incomes have made millions of American families new prospects for our services. These families should be using our checking, savings, and other services. Each year several

million families are moving into new communities, new states. They must establish a new financial connection just as they must choose a new doctor, church, and school. These new residents are prospective customers for our banks. All this means that the potential for our services is increasing. Will our banks benefit? Will we take advantage of this growth?

One of the ways you can help do so is by supporting cooperative national advertising which will invite these prospects to come to our banks for financial services.

The opportunity to attract more customers was never greater.

[1193–1194] $5 Per Million of Deposits Is All Our National Advertising Will Cost Us

The pro-rata cost of our cooperative national advertising will be very low.

After careful consideration, the Trustees decided to keep the rate of contributions down to $5 per million of deposits, compared to $60 per million of assets paid by the savings and loan associations. This assures the widest possible participation.

We expect our advertising fund to exceed $500,000 this year. We are asking each bank to agree to contribute for a period of two years, to permit longer-range planning and to give the advertising a better opportunity to produce results. The savings and loan associations, which started their national advertising five years ago, are spending approximately a million dollars this year. Their national advertising has improved their position.

To work with us in carrying out our program, we have retained the J. Walter Thompson Company as advertising counsel.

Our cooperative advertising will complement the all-important advertising and promotion of individual banks.

The cost to you is nominal. The opportunities are great.

HERE IS THE FORMULA . . .

$5 PER YEAR PER MILLION OF DEPOSITS

($5 Minimum—$15,000 Maximum)

Compute your contribution on the year-end deposit figure, and adjust the amount to the nearest million.

In the opinion of counsel for the Foundation, amounts paid by member banks will be deductible for Federal income tax purposes.

[1195–1196] WE CAN SELL MORE PEOPLE ON USING OUR SERVICES THROUGH COOPERATIVE NATIONAL ADVERTISING

Our advertising will sell more people—individuals, families, businessmen, farmers, and thought leaders in all parts of the country—on doing business with our banks.

Our advertising will sell more people on using more of our services.

Our advertising will build preference for commercial banks over non-bank competitors.

Our advertising will improve the attitude of the public toward the bank, the banker and toward bank employment.

Our advertising will build understanding of the quality of service which commercial banks offer to savers.

OUR MESSAGES WILL BEGIN THIS FALL IN THESE BIG-CIRCULATION MAGAZINES

[Illustrations omitted.]

These five powerful, nationally-distributed magazines will carry our messages into every community in the nation, reaching 85 per cent of all American homes within a year.

[1197] OUR COOPERATIVE ADVERTISING WILL—

sell the importance of doing business with your bank
sell more people on using your various services
improve the public's attitude toward you and your bank
improve your competitive position and earnings
inspire better promotion by individual banks
help all commercial banks develop local opportunities
demonstrate to people the importance of banking
attract able young people to banking

NOW IS THE TIME TO ACT!

Please sign the enclosed form TODAY

Committee of sponsors: Mr. Walter Kennedy, President, First National Bank, Montgomery, Alabama; Mr. Frank M. Moody, President, First National Bank, Tuscaloosa, Alabama; Mr. Elmer E. Rasmuson, President, National Bank of Alaska, Anchorage, Alaska; Mr. Carl A. Bimson, President, The Valley National Bank, Phoenix, Arizona; Mr. B. Finley Vinson, Vice President, First National Bank of Little Rock, Little Rock, Ark.; Mr. Harvel C. Adams, Executive Vice President, First National Bank of DeWitt, DeWitt, Arkansas; Mr. S. Clark Beise, President, Bank of America N.T. & S.A., San Francisco, California; Mr. Anderson Borthwick, President, The First National Trust & Savings Bank of San Diego, San Diego, California; Mr. J. H. Macdonald, President, Colorado Savings and Trust Company, La Junta, Colorado; Mr. Charles P. Warren, President, First National Bank in Fort Collins, Fort Collins, Colorado; Mr. George H. Stebbins, President, The Simsbury Bank and Trust Company, Simsbury, Connecticut; Mr. Gibbs Lyons, Chairman of the Board, The Nat'l Bank & Trust Co. of Fairfield County, Stamford, Connecticut; Mr. O. H. P. Baldwin, President, Farmers Bank of the State of Delaware, Wilmington, Delaware; Mr. Edwin P. Messick, Executive Vice President, The First Nat'l Bank & Trust Company, Milford, Delaware; Mr. C. B. McLeod, President, Bank of Crestview, Crestview, Florida; Mr. Henry Coleman, President, Commercial Bank, Daytona Beach, Florida; Mr. Gordon Jones, Execu-

tive Vice Pres., Fulton National Bank, Atlanta, Georgia; Mr. Monroe M. Kimbrel, Executive Vice Pres., First National Bank, Thomson, Georgia; Mr. Wilfred H. Heitmann, President, Northwest National Bank of Chicago, Chicago, Illinois; Mr. George M. Wasem, Vice President, Commercial National Bank, Peoria, Illinois; [1198] Mr. H. Prentice Browning, President, American Fletcher National Bank, Indianapolis, Indiana; Mr. S. Edgar Lauther, President, Irwin Union Bank & Trust Company, Columbus, Indiana; Mr. W. W. Summerwill, President, Iowa State Bank & Trust Company, Iowa City, Iowa; Mr. C. H. Walcott, Vice President, Security National Bank, Sioux City, Iowa; Mr. James Byers, President, Bank of Idaho, Boise, Idaho; Mr. J. G. Bickmore, Executive Vice President, Idaho Bank & Trust Company, Pocatello, Idaho; Mr. J. A. Mermis, Jr., President, Security State Bank, Great Bend, Kansas; Mr. E. A. Morse, Executive Vice Pres., Citizens Bank, Abilene, Kansas; Mr. M. H. Kirby, President, First National Bank, Henderson, Kentucky; Mr. Leonard C. Smith, Vice President, First National Bank, Lexington, Kentucky; Mr. H. Webb Madison, President, Bastrop National Bank, Bastrop, Louisiana; Mr. J. Ferdie Hebert, Executive Vice Pres., New Iberia National Bank, New Iberia, Louisiana; Mr. Reginald H. Sturtevant, President, Livermore Falls Trust Company, Livermore Falls, Maine; Mr. Charles W. Hoff, President, Union Trust Company, Baltimore, Maryland; Mr. Norman B. Boyle, President, Carroll County National Bank, Westminster, Maryland; Mr. Richard P. Chapman, President, The Merchants National Bank, Boston, Mass.; Mr. Edward L. Clifford, President, Worcester County Trust Company, Worcester, Mass.; Mr. B. P. Sherwood, Jr., President, Security-First Bank & Trust Company, Grand Haven, Michigan; Mr. Henry T. Bodman, President, National Bank of Detroit, Detroit, Michigan; Mr. Herbert W. Corey, President, Bank of Stephenson, Stephenson, Michigan; Mr. R. C. Nelson, Vice President, Northwestern State Bank, Hallock, Minnesota; Mr. S. J. Kryzsko, President, Winona National & Savings Bank, Winona, Minnesota; Mr. Philip H. Nason, President, The First National Bank of Saint Paul, Saint Paul, Minnesota; Mr. Wade H. Hollowell, President, First National Bank of Greenville, Greenville, Missis-

sippi; Mr. S. E. Babington, President, Brookhaven Bank & Trust Company, Brookhaven, Mississippi; Mr. Ben A. Parnell, Jr., Vice President & Cashier, Peoples Bank of Branson, Branson, Missouri; Carroll F. Burton, Vice President, First National Bank in St. Louis, St. Louis, Missouri; Mr. John E. Tenge, President, Midland National Bank, Billings, Montana; Mr. B. Meyer Harris, President, Yellowstone Bank, Laurel, Montana; Mr. George A. Wright, President, Bank of Elgin, Elgin, Neb.; Mr. Howard L. Faurdick, President, The Central National Bank, Columbus, Nebraska; Mr. Ellsworth Moser, President, The U.S. National Bank of Omaha, Omaha, Nebraska; Mr. S. L. Butterfield, President, Bank of Nevada, Las Vegas, Nevada; Mr. Philip E. Butterfield, President, Concord National Bank, Concord, New Hampshire; Mr. Marston Heard, President, Amoskeag Trust Company, Manchester, New Hampshire; Mr. Norman Brassler, Executive Vice President, County Bank and Trust Company, Paterson, New Jersey; Mr. J. M. Featherer, Executive Vice President, Penn's Grove National Bank & Trust Co., Penn's Grove, New Jersey; Mr. F. H. Chilcote, President, Farmers & Stockmens Bank, Clayton, New Mexico; Mr. J. E. Robertson, President; American Bank of Carlsbad, Carlsbad, New Mexico; Mr. George Champion, President, The Chas Manhattan Bank, New York, New York; [1199] Mr. Hubert C. Brown, President, First National Bank of Glens Falls, Glens Falls, New York; Mr. Howard J. Marshall, President, National Bank of Westchester, White Plains, New York; Mr. Addison H. Reese, President, American Commercial Bank, Charlotte, North Carolina; Mr. C. Bion Sears, President, First National Bank, Whiteville, North Carolina; Mr. G. H. Hernett, President, McIntosh County Bank, Ashley, North Dakota; Mr. W. S. Davidson, Jr., President, American State Bank of Williston, Williston, North Dakota; Mr. M. H. Rorick, Jr., Vice President, The Spitzer-Rorick Trust & Savings Bank, Toledo, Ohio; Mr. A. D. Fille, Vice President, The First National Bank & Trust Company, Hamilton, Ohio; Mr. K. G. Braley, President, Farmers' Exchange Bank, Cherokee, Oklahoma; Mr. Exall English, President, The Security Bank & Trust Company, Lawton, Oklahoma; Mr. E. C. Sammons, President, The U.S. National Bank of Portland, Portland,

Oregon; Mr. Sidney D. Kline, President, Berks County Trust Company, Reading, Pennsylvania; Mr. John A. Mayer, Executive Vice Pres., Mellon National Bank & Trust Co., Pittsburgh, Pennsylvania; Mr. John C. Warner, President, Capital Bank & Trust Company, Harrisburg, Pennsylvania; Mr. Rafael Carrion, Jr., President, Banco Popular De Puerto Rico, San Juan, Puerto Rico; Mr. H. B. Freeman, President, Rhode Island Hospital Trust Company, Providence, Rhode Island; Mr. Hugh C. Lane, President, The Citizens and Southern National Bank, Charleston, S.C.; Mr. R. G. Clawson, Executive Vice Pres., The Bank of Hartsville, Hartsville, South Carolina; Mr. E. H. Paine, President, Farmers & Merchants Bank of Watertown, Watertown, S.D.; Mr. A. E. Dahl, Chairman of Board, Rapid City National Bank, Rapid City, South Dakota; Mr. W. K. Porter, President, Commercial Bank & Trust Company, Paris, Tennessee; Mr. D. W. Johnston, Executive Vice President, Third National Bank, Nashville, Tennessee; Mr. John H. Sedwick, Executive Vice Pres., First National Bank, Albany, Texas; Mr. W. F. Remschel, Jr., President, Bank of the Mainland, La Marque, Texas; Mr. R. A. Peterson, President, Bank of Hawaii, Honolulu, T.H.; Mr. George S. Eccles, President, First Security Bank of Utah, N.A., Salt Lake City, Utah; Mr. Luman B. Howe, President, Montpelier National Bank, Montpelier, Vermont; Mr. Edmund P. Shaw, Vice President & Treasurer, Killington Bank & Trust Company, Rutland, Vermont; Mr. J. Harvie Wilkinson, Jr., President, State Planters Bank of Commerce and Trusts, Richmond, Va.; Mr. W. Wright Harrison, President, Peoples National Bank, Charlottesville, Virginia; Mr. Frank E. Jerome, President, Seattle-First National Bank, Seattle, Washington; Mr. Hulbert T. Bisselle, President, The Riggs National Bank, Washington, D.C.; Mr. Luther S. Berry, Executive Vice Pres., The Union National Bank, Clarksburg, West Virginia; Mr. V. W. O'Dell, First Vice President, The Kanawha Valley Bank, Charleston, West Virginia; Mr. Ralph E. Gilbert, Vice President, The American National Bank & Trust Co. of Eau Claire, Eau Claire, Wisconsin; Mr. Ralph L. Zaun, Vice President, Grafton State Bank, Grafton, Wisconsin; Mr. George F. Kasten, Vice President, First Wisconsin National Bank, Milwaukee, Wisconsin;

Mr. Leon G. Harmon, President, The First National Bank, Riverton, Wyoming; Mr. W. Robert Dubois, Vice President, The Stock Growers National Bank, Cheyenne, Wyoming.

[1200] *In United States District Court*

PLAINTIFF EXHIBIT 115

[Omitted in printing]

[1201] *In United States District Court*

PLAINTIFF EXHIBIT 116

EXTRACT FROM 1958 CENSUS OF MANUFACTURERS—PAGE 20

Table 16.—General Statistics for Kentucky, Its Standard Metropolitan Statistical Areas and Counties: 1958

Standard metropolitan statistical area	Establishments, number		All employees, number
	Total	With 20 or more employees	
Lexington[1]	127	69	7,807

[1] The Lexington Standard Metropolitan Area consists of Fayette County, Kentucky.

[1202] *In United States District Court*

PLAINTIFF EXHIBIT 117

EXTRACT FROM TREASURY DEPARTMENT FORM NO. 1931 (REV. JULY 1960) ENTITLED "APPLICATION FOR APPROVAL TO CONSOLIDATE OR MERGE."

"Service area" as used herein and applied to a participating bank, a competing commercial bank, or any head office or branch office means the geographical area from which the bank or the office derives 75 percent or more of its deposits, both demand and time, of individuals, partnerships, and corporations. Such deposits are reflected in published reports of condition of commercial banks and are referred to herein as "IPC" deposits.

[1203] *In United States District Court*

PLAINTIFF EXHIBIT 118

Geographical Distribution of First National Bank and Trust Company of Lexington's Demand Deposit Accounts (by Number of Accounts) for the Period January 1, 1960 Through May 31, 1960

Size of Deposits [1]	Column I	Column II		Column II		Column III	
	Total Number of Accounts	Accounts in Which Depositor is Located in Lexington		Accounts in Which Depositor is Located in Lexington or Maintains an Office in Lexington [2]		Accounts in Which Depositor is Located Outside Lexington and does not Maintain an Office in Lexington	
	Number	Number	Per cent of Total	Number	Per cent	Number	Per cent
$10,000-24,999	574	527	93.6	546	96.1	28	4.9
25,000-49,999	197	183	92.9	189	95.9	8	4.1
50,000-99,999	87	78	89.7	79	90.8	8	9.2
100,000-149,999	31	28	90.3	30	96.8	1	3.2
150,000-199,999	19	18	94.7	19	100.0	----	----
200,000-224,999	6	6	100.0	6	100.0	----	----
225,000-249,999	11	10	90.9	11	100.0	----	----
250,000 & over	39	38	97.4	38	97.4	1	2.6
Total	964	898	93.2	918	95.2	46	4.8 [3]

Source: Defendants' Answer to Plaintiff's Interrogatory Number 23, as amended, which reads as follows: "With respect to each demand deposit account in First National which at any time during the period January 1, through May 31, 1960, exceeded $10,000.00, state the name and address of such depositor, the business in which such depositor is, or was engaged and the maximum amount on deposit during such period."

[1] For purpose of this Exhibit, the size of each deposit account is determined by its maximum balance during the period indicated.

[2] Column III includes depositors whose address was listed in the Answer to Interrogatory Number 23 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1204] *In United States District Court*

PLAINTIFF EXHIBIT 119

Geographical Distribution of First National Bank and Trust Company of Lexington's Demand Deposit Accounts (by Dollar Value) for the Period January 1, 1960 Through May 31, 1960

Size of Deposits [1]	Column I	Column II		Column III		Column IV	
	Total Dollar Value of Accounts	Accounts in Which Depositor is Located in Lexington		Accounts in Which Depositor is Located in Lexington or Maintains an Office in Lexington [2]		Accounts in Which Depositor is Located outside Lexington and does not Maintain an Office in Lexington	
	Dollar Value	Dollar Value	Per cent of Total	Dollar Value	Per cent	Dollar Value	Per cent
$10,000-24,999	8,626,307	8,083,221	93.8	8,205,036	95.1	421,271	4.9
25,000-49,999	6,856,873	6,361,603	92.8	6,574,823	95.9	282,350	4.1
50,000-99,999	5,945,344	5,352,240	90.0	5,411,991	91.0	533,353	9.0
100,000-149,999	3,720,939	3,347,063	90.0	3,581,731	96.3	139,207	3.7
150,000-199,999	3,142,479	2,956,238	94.1	3,142,479	100.0		
200,000-224,999	1,277,661	1,277,661	100.0	1,277,661	100.0		
225,000-249,999	2,637,631	2,400,982	91.0	2,637,631	100.0		
250,000 & over	28,035,648	27,734,885	98.9	27,734,885	98.9	300,763	1.1
Total	60,242,941	57,105,893	95.4	58,565,997	97.2	1,676,944	2.8

Source: Defendants' Answer to Plaintiff's Interrogatory Number 23, as amended, which reads as follows: "With respect to each demand deposit account in First National which at any time during the period January 1, through May 31, 1960, exceeded $10,000.00, state the name and address of such depositor, the business in which such depositor is, or was engaged and the maximum amount on deposit during such period."

[1] For purposes of this Exhibit, the size of each deposit account is determined by its maximum balance during the period indicated. Dollar values therefore do not reflect the actual dollar volume of accounts held by the bank on any given date during such period.

[2] Column III includes depositors whose address was listed in the Answer to Interrogatory Number 23 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1205] *In United States District Court*

PLAINTIFF EXHIBIT 120

Geographical Distribution of Security Trust Company's Demand Deposit Accounts (by Number of Accounts) for the Period January 1, 1960 Through May 31, 1960

Size of Deposits[1]	Column I	Column II		Column II		Column IV	
	Total Number of Accounts	Accounts in Which Depositor is Located in Lexington		Accounts in Which Depositor is Located in Lexington or Maintains an Office in Lexington[2]		Accounts in Which Depositor is Located Outside Lexington and does not Maintain an Office in Lexington	
	Number	Number	Percent of Total	Number	Percent	Number	Percent
$10,000-24,999	185	185	99.2	178	98.2	7	3.8
25,000-49,999	78	67	98.5	75	98.2	3	3.8
50,000-99,999	23	20	90.9	22	97.0	1	3.0
100,000-149,999	13	10	83.7	13	88.7	2	13.3
150,000-199,999	8	6	75.0	6	75.0	2	25.0
200,000-224,999	1	1	100.0	1	100.0	.....	.....
225,000-249,999	1	1	100.0	1	100.0	.....	.....
250,000 and over	12	11	91.7	12	100.0	.....	.....
Total	322	309	96.0	313	98.3	15	4.8

Source. Defendants' Answer to Plaintiff's Interrogatory Number 24, as amended, which reads as follows: "With respect to each demand deposit account in Security which at any time during the period January 1 through May 31, 1960, exceeded $10,000.00, state the name and address of such depositor, the business in which such depositor is, or was engaged and the maximum amount on deposit during such period."

[1] For purposes of this Exhibit, the size of each deposit is determined by its maximum balance during the period indicated.

[2] Column III includes depositors whose address was listed in the Answer to Interrogatory Number 24 as outside Lexington but for whom a Lexington address was given in the 1960 edition of the Lexington telephone directory.

[1206] *In United States District Court*

PLAINTIFF EXHIBIT 121

Geographical Distribution of Security Trust Company's Demand Deposit Accounts (by Dollar Value) for the Period January 1, 1960 Through May 31, 1960

Size of Deposits [1]	Column I	Column II		Column III		Column IV	
	Total Dollar Value of Accounts	Accounts in Which Depositor is Located in Lexington		Accounts in Which Depositor is Located in Lexington or Maintains an Office in Lexington [2]		Accounts in Which Depositor is Located Outside Lexington and does not Maintain an Office in Lexington	
	Dollar Value	Dollar Value	Per cent of Total	Dollar Value	Per cent	Dollar Value	Per cent
$10,000-24,999	2,922,242	2,827,229	89.5	2,730,493	96.7	91,749	3.3
25,000-49,999	2,613,287	2,322,586	89.3	2,511,690	96.1	101,597	2.9
50,000-99,999	2,211,118	1,996,440	90.3	2,136,692	96.6	74,423	3.4
100,000-149,999	1,782,376	1,203,363	67.5	1,551,942	87.0	231,436	13.0
150,000-199,999	1,372,660	1,038,432	75.7	1,039,432	75.7	333,208	24.3
200,000-224,999	200,200	200,200	100.0	200,200	100.0	----------	----------
225,000-249,999	240,282	240,282	100.0	240,282	100.00	----------	----------
250,000 & over	18,982,913	18,263,790	96.2	18,982,913	100.00	----------	----------
Total	30,236,117	27,903,408	92.0	29,403,704	97.2	832,413	2.8

Source: Defendants' Answer to Plaintiff's Interrogatory Number 24, as amended, which reads as follows: "With respect to each demand deposit account in Security which at any time during the period January 1 through May 31, 1960, exceeded $10,000.00, state the name and address of such depositor, the business in which such depositor is, or was engaged and the maximum amount on deposit during such period."

[1] For purposes of this Exhibit, the size of each deposit is determined by its maximum balance during the period indicated. Dollar values therefore do not reflect the actual dollar volume of accounts held by the bank on any given date during such period.

[2] Column III includes depositors whose address was listed in the Answer to Interrogatory Number 24 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1207] *In United States District Court*

PLAINTIFF EXHIBIT 122

Geographical Distribution of Loans (Except Instalment Loans) Made by First National Bank and Trust Company of Lexington (by Number of Loans) During the Period January 1, 1960 to December 31, 1960

Loans[1]	Column I	Column II		Column III		Column IV	
	Total Number of Loans	Loans in Which Borrower is Located in Lexington		Loans in Which Borrower is Located in Lexington or Maintains an Office in Lexington[2]		Loans in Which Borrower is Located Outside of Lexington and does not Maintain an Office in Lexington	
	Number	Number	Per cent of total	Number	Per cent	Number	Per cent
$10,000-24,999	418	380	90.9	385	92.1	33	7.9
25,000-49,999	156	142	91.0	144	92.3	12	7.7
50,000-99,999	72	66	91.7	66	91.7	6	8.3
100,000-149,999	31	30	96.8	30	96.8	1	3.2
150,000-199,999	7	5	71.4	7	100.0		
200,000-224,999	8	7	87.5	8	100.0		
225,000-249,999	4	3	75.0	4	100.0		
250,000 & over	20	9	45.0	11	55.0	9	45.0
Total	716	642	89.7	655	91.5	61	8.5

[1] Source: Defendants' Answer to Plaintiff's Interrogatory Number 25, as amended, which reads as follows: "With respect to each commercial and industrial borrower which at any time during the year 1960 had borrowed an amount of $10,000.00 or more from the commercial loan department of First National, state the name and address of each such borrower, the maximum amount outstanding during the year 1960, the nature of the borrower's business and the maximum amount such borrower had on deposit with such bank during such year."

[1] For purposes of this Exhibit the size of each loan represents the largest outstanding loan balance of each borrower during the period indicated.

[2] Column III includes depositors whose address was listed in the Answer to Interrogatory Number 25 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1208] *In United States District Court*

PLAINTIFF EXHIBIT 123

Geographical Distribution of Loans (Except Installment Loans) Made by First National Bank and Trust Company of Lexington (by Dollar Value) During the Period January 1, 1960 to December 31, 1960

Loans [1]	Column I	Column II		Column III		Column IV	
	Total Dollar Value of Loans	Loans in Which Borrower is Located in Lexington		Loans in Which Borrower is Located in Lexington or Maintains an Office in Lexington [2]		Loans in Which Borrower is Located Outside of Lexington and does not Maintain an Office in Lexington	
	Dollar Value	Dollar Value	Per cent of total	Dollar Value	Per cent	Dollar Value	Per cent of total
$10,000-24,999	6,280,066	5,682,459	90.5	5,764,649	91.8	515,417	8.2
25,000-49,999	5,290,826	4,841,646	91.5	4,915,146	92.9	375,680	7.1
50,000-99,999	4,931,781	4,501,908	91.3	4,501,908	91.3	429,973	8.7
100,000-149,999	3,618,707	3,508,707	97.0	3,508,707	97.0	110,000	3.0
150,000-199,999	1,182,575	832,575	70.4	1,182,575	100.0		
200,000-224,999	1,651,127	1,451,127	87.9	1,651,127	100.0		
225,000-249,999	932,684	697,681	74.8	932,684	100.0		
250,000 & over	5,000,000	2,250,000	45.0	2,750,000	55.0	2,250,000	45.0
Total	28,887,766	23,766,006	82.3	25,206,796	87.3	3,121,760	12.7

Source: Defendants' Answer to Plaintiff's Interrogatory Number 25, as amended, which reads as follows: "With respect to each commercial and industrial borrower which at any time during the year 1960 had borrowed an amount of $10,000.00 or more from the commercial loan department of First National, state the name and address of each such borrower, the maximum amount outstanding during the year 1960, the nature of the borrower's business and the maximum amount such borrower had on deposit with such bank during such year."

[1] For purposes of this Exhibit the size of each loan represents the largest outstanding loan balance of each borrower during the period indicated. Dollar values therefore do not reflect the value of loans outstanding on any given date during such period.

[2] Column III includes borrowers whose address was listed in the Answer to Interrogatory Number 25 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1209] *In United States District Court*

PLAINTIFF EXHIBIT 124

Geographical Distribution of Loans (Except Instalment Loans) Made by Security Trust Company (by Number of Loans) During the Period January 1, 1960 to December 31, 1960

Size of Loans [1]	Column I	Column II		Column III		Column IV	
	Total Number of Loans	Loans in Which Borrower is Located in Lexington		Loans in Which Borrower is Located in Lexington or Maintains an Office in Lexington [2]		Loans in Which Borrower is Located Outside of Lexington and does not Maintain an Office in Lexington	
	Number	Number	Percent of total	Number	Percent	Number	Percent
$10,000-24,999	220	192	87.0	199	90.5	22	9.5
25,000-49,999	82	45	54.5	47	93.4	7	8.6
50,000-99,999	26	23	88.5	24	92.3	2	7.7
100,000-149,999	12	10	83.3	11	91.7	1	8.3
150,000-199,999	2	2	100.0	2	100.0	----	----
200,000-224,999	2	1	50.0	2	100.0	----	----
225,000-249,999	4	4	100.0	4	100.0	----	----
250,000 & over	4	3	80.0	3	75.0	1	25.0
Total	322	288	89.5	292	90.7	30	9.3

Source: Defendants' Answer to Plaintiff's Interrogatory Number 26, as amended, which reads as follows: "With respect to each commercial and industrial borrower which at any time during the year 1960 had borrowed an amount of $10,000.00 or more from the commercial loan department of Security, state the name and address of each such borrower, the maximum amount outstanding during the year 1960, the nature of the borrower's business and the maximum amount such borrower had on deposit with such bank during such year."

[1] For purposes of this Exhibit the size of each loan represents the largest outstanding loan balance of such borrower during the period indicated.

[2] Column III includes borrowers whose address was listed in the Answer to Interrogatory Number 26 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1210] *In United States District Court*

PLAINTIFF EXHIBIT 125

Geographical Distribution of Loans (Except Installment Loans) Made by Security Trust Company (by Dollar Value) During the Period January 1, 1960 to December 31, 1960

Size of Loans[1]	Column I	Column II		Column III		Column IV	
	Total Dollar Value of Loans	Loans in Which Borrower is Located in Lexington		Loans in Which Borrower is Located in Lexington or Maintains an Office in Lexington[2]		Loans in Which Borrower is Located Outside of Lexington and does not Maintain an Office in Lexington	
	Dollar Value	Dollar Value	Percent of total	Dollar Value	Percent of total	Dollar Value	Percent of total
$10,000-34,999	3,288,211	2,988,789	90.9	2,978,789	90.6	307,442	9.4
35,000-49,999	1,743,011	1,605,272	86.5	1,575,191	90.5	165,820	9.5
50,000-99,999	1,988,985	1,570,705	87.0	1,630,805	90.8	165,880	9.2
100,000-149,999	1,340,000	1,122,624	83.9	1,244,737	92.2	105,263	7.8
150,000-199,999	227,985	227,985	100.0	227,985	100.0		
200,000-224,999	413,388	213,388	51.6	413,388	100.0		
225,000-249,999	922,187	922,187	100.0	922,187	100.0		
250,000 & over	2,987,000	637,000	22.1	887,000	30.7	2,000,000	69.3
Total	12,734,387	9,275,990	72.9	9,980,022	78.5	2,744,315	21.5

Source: Defendants' Answer to Plaintiff's Interrogatory Number 26, as amended, which r[illegible] as follows: "With respect to each commercial and industrial borrower which at any time du[illegible] year 1960 had borrowed an amount of $10,000.00 or more from the commercial loan departm[illegible] of Security, state the name and address of each such borrower, the maximum amount outstanding during the year 1960, the nature of the borrower's business and the maximum amount such borrower had on deposit with such bank during such year."

[1] For purposes of this Exhibit the size of each loan represents the largest outstanding loan balance of such borrower during the period indicated. Dollar values therefore do not reflect the value of loans outstanding on any given date during such period.

[2] Column III includes borrowers whose address was listed in the Answer to Interrogatory Number 26 as outside Lexington but for whom a Lexington address was given in the 1961 edition of the Lexington telephone directory.

[1211] *In United States District Court*

PLAINTIFF EXHIBIT 126

I, JOHN G. STOLL, of Lexington, Kentucky, do hereby make, publish, and declare this to be my Last Will and Testament, hereby revoking any and all other wills heretofore made by me.

ITEM I. I direct that all of my just debts and funeral expenses be paid. I also direct my executor to pay all inheritance estate, and succession taxes out of the principal of my residuary estate upon all property includable in my gross estate, whether passing under the provisions of this will or otherwise, and I authorize my executor to pay such taxes during administration or apply for an extension of time for payment thereof as may be authorized by law.

ITEM II. I give, devise and bequeath to my wife, Virginia Duncan Stoll, my residence at 1620 Richmond Road in Lexington, Fayette County, Kentucky, together with all furniture and household furnishings therein; any automobiles in my individual name retained for my personal use; and my personal effects.

I also give and devise unto my wife, Virginia Duncan Stoll, absolutely and in fee simple, the property at 220 Queensway Drive in Lexington, Kentucky, which I purchased from Mary Lancaster Henderson.

ITEM III. I give, devise and bequeath to Security Trust Company as trustee, and its successors in trust, one-fourth (¼) of the capital stock of Lexington Herald-Leader Co., a Kentucky corporation, which I may own at the time of my death and an undivided one-fourth (¼) interest in and to the following described property:

[1212] A. The real estate now used and occupied by said Lexington Herald-Leader Co. consisting of three adjacent tracts of land located on West Short Street at its intersection with Market Street in Lexington, Kentucky, two of said tracts being more particularly described in a deed to me from Lexington Leader Company dated March 23, 1922, and recorded in the Fayette County Court Clerk's Office in Deed Book 210, at page 225, and the third tract having been acquired by me by deed of Security Trust Company as Executor and Trustee under the

will of E. B. Ellis by deed dated August 22, 1921, and recorded in said Clerk's Office in Deed Book 228, at page 442; in trust, nevertheless, for the following uses and purposes:

1. My trustee shall hold, manage, control, invest and reinvest the trust estate and shall pay all of the income derived therefrom in quarterly instalments to my wife, Virginia Duncan Stoll, for and during her natural life, with full power and authority in my said wife to appoint by her last will and testament the entire principal of the trust estate, free and clear of the trust, which power of appointment shall be exercisable by my said wife alone and in all events. In the event my wife should fail to exercise the power of appointment by her last will and testament as herein granted to her, then the principal of the trust estate, at her death, shall become a part of my residuary trust estate and shall be administered and distributed in the same manner as in hereinafter provided in Item IV of this my will;

[1213] 2. My trustee shall have full power and authority to retain the stock in Lexington Herald-Leader Co. and the undivided one-fourth (¼) of the real estate above described as an investment of the trust herein provided so long as the same is a profitable investment and shall have full authority to vote the stock in Lexington Herald-Leader Co. in person or by proxy at any corporate meeting of said company. My trustee shall be vested with all of the power and authority conferred upon the trustee of my residuary trust estate excepting only that during the life of my wife no part thereof shall be sold without her written consent.

ITEM IV. All the rest and residue of my estate, of every kind and character, real and personal, wherever situated. Any lapsed or void legacy or devise and any property over which I may have the power of disposition or appointment, I give, devise and bequeath to Security Trust Company, in trust for the following uses and purposes.

My trustee shall hold, manage, control, invest and reinvest the trust estate and shall distribute the net income and principal thereof as follows:

(a) In the event the annual net income payable to my wife under the trust for her benefit provided in Item III of this will is less than Forty Thousand Dollars ($40,000.00) in any year during her lifetime, then the trustee shall [1214] pay to her an amount from the net income sufficient to make such payments equal the sum of Forty Thousand Dollars ($40,000.00) in each year for and during her natural life, it being my intention that my wife shall receive not less than Forty Thousand Dollars ($40,000.00) annually, to be paid first from the trust provided in Item III herein, and if the income therefrom is insufficient then by the trustee of the trusts provided for in this item of my will.

(b) During the lifetime of my wife, all of the income remaining after payment of so much of the net income as may be necessary under (a) above, and all of the net income from the trust estate at the death of my wife, shall be divided equally among my children and their issue upon the principle of representation, the issue of a deceased child taking equally among themselves the deceased parent's share, which shall be paid in convenient instalments to each person thus entitled to income until the expiration of a period ending twenty-one (21) years after the death of the survivor of those of my children and their issue who are living at the time of my death, at which time my trustee shall divide the principal of the trust among the persons then entitled to income in such [1215] proportions as the income of the trust is then being distributed, and shall pay to each person the share of principal to which he or she is thus found entitled.

ITEM V. In furtherance of the customary powers of executors and trustees and not by way of limitation thereon, I grant to my executor and trustee, and its successors, in whichever capacity it may be serving as to a particular transaction, the following powers which I authorize it to exercise in its absolute, uncontrolled discretion:

(a) To retain property, real or personal, constituting a part of my estate at the time of my death for such

time as to it shall seem best, although such property may not be of the character expressly approved by law or authorized by the terms of my will for the investment of other funds of my estate and although it represents a large percentage of the total property of my estate; to dispose of such original property by sale, exchange, or otherwise as and when it shall seem advisable to it and to receive and administer the proceeds therefrom as part of my estate;

(b) To vote at corporate meetings in person or by special, limited, or general proxy;

(c) To exercise all options, rights, and privileges to convert stocks, bonds, debentures, notes, mortgages, or other property into [1216] other stocks, bonds, debentures, notes, mortgages, or other property; to make such conversions or subscriptions and to make payments therefor; to advance or borrow money for that purpose; and to hold such stocks, bonds, debentures, notes, mortgages or other property so acquired as investments of my estate;

(d) To unite with other owners of securities or other property similar to the securities or other property which may be held at any time in my estate in carrying out any plan for the merger or consolidation, dissolution or liquidation, foreclosure, lease or sale of the property of any corporation, the securities or other property of which may form a part of my estate; to deposit any such securities or other property in accordance with such plan, and to receive and retain as investments of my estate any new securities or other property issued as a result of the execution of any such plan, whether or not such securities or other property may be of the character expressly approved by law or authorized by the terms of my will for the investment of other funds of my estate;

(e) To lease real property for periods within or beyond the duration of the trusts under my will without obtaining approval of any court;

[1217] (f) Out of income received, to set up reserves in such amounts as it may deem expedient for taxes, assessments, insurance, repairs, depreciation, obsolescence, general maintenance of buildings or other property and other purposes, including debt retirement;

(g) To compromise, arbitrate, abandon, and otherwise adjust claims in favor of or against my estate;

(h) To borrow money for the benefit of my estate from any source, including the trustee of my insurance trust dated August 3, 1932, as amended, for such periods of time and upon such terms and conditions as it shall deem advisable and to mortgage or pledge such part of my estate as may be required to secure such loan or loans;

(i) To sell property, real or personal, publicly or privately, for cash or on time, with or without security for the balance of the purchase price, upon such conditions as to it shall deem best, without liability on the part of the purchaser to see to the application of the purchase money;

(j) To execute and deliver agreements, assignments, bills of sale, contracts, deeds, leases, notes, powers of attorney, receipts, and all other instruments in writing deemed by it necessary or [1218] appropriate for the settlement of my estate or the administration of my trusts;

(k) To employ and compensate out of principal or income, as to my executor or trustee shall seem proper, agents, attorneys, brokers, and other representatives as it may deem necessary or appropriate, without liability for any neglect, omission, misconduct, mistake, or default of such agent, attorney, broker, or other representative, provided he was selected and has been supervised by my executor or trustee with reasonable care;

(l) To determine what is income and what is principal hereunder and what expenses, costs, taxes and charges of all kinds shall be charged against income and what shall be charged against principal, and the decision of

the trustee with respect to these matters shall be final and conclusive upon all parties.

ITEM VI–A. I have heretofore transferred certain policies of insurance upon my life to Security Trust Company, Trustee under an Insurance Trust Agreement dated August 3, 1932, as amended. In said agreement I reserved the right to borrow upon said policies of insurance and from time to time I have exercised that privilege, and the said policies are now pledged as securty for the payment of a substantial indebtedness. The payment of this indebtedness was assumed by Lexington Herald-[1219]Leader Co., a Kentucky corporation recently organized, as a part of the consideration for the transfer by me of certain properties to the company. I have authorized and directed the trustee under my Insurance Trust Agreement dated August 3, 1932, as amended, in the event I should die prior to the liquidation by Lexington Herald-Leader Co. of the aforesaid indebtedness, to purchase the note or notes evidencing said indebtedness for the amount of the unpaid principal balance thereof, with accrued interest, as an investment of the funds belonging to the insurance trust estate, with full power and authority in the trustee thereunder to renew and extend said note or notes from time to time in its absolute discretion; and I hereby authorize my executor and trustee herein to take such steps, if any, as may be necessary to carry out and make effective the purchase of said notes by my insurance trustee as aforesaid. In so doing, it shall not be necessary for my executor to withhold the closing of the administration of my estate until said indebtedness is fully liquidated, and the contingent liability of my estate on said note or notes shall be transferred by my executor to my testamentary trustee of my residuary estate provided for under Item IV of this will, it being my intention that if for any reason said note or notes are not paid by Lexington Herald-Leader Co. within a reasonable time after my death as may be determined by the trustee of my Insurance Trust Agreement, then and in such an event the same shall be paid from the principal of my residuary trust estate.

[1220] B. I have authorized the Security Trust Company, as trustee under the Insurance Trust Agreement hereinabove referred to, to purchase the capital stock of Lexington Herald-

Leader Co. belonging to my estate and the real estate used and occupied by said company under lease from me from the executor and trustee of my last will and testament, and I hereby authorize and empower my executor and trustee, in its sole and uncontrolled discretion, if it deems it advisable for the best interests of my estate, to sell, transfer and convey said capital stock and real estate to the trustee under the said Insurance Trust Agreement upon said terms and conditions as it may determine; provided, however, that the part thereof devised to my trustee under Item III herein for the use and benefit of my wife may be sold and transferred by my executor and trustee only by and with her written consent.

C. In the event any beneficiary of my residuary trust estate, while entitled to receive income therefrom, or my wife as the beneficiary of the trust provided in Item III herein, should be in need of funds in excess of the income to which he or she is then entitled in order to provide for his or her reasonable care, maintenance or support, or on account of any illness, infirmity or emergency, then my Trustee, in its sole discretion, may make advancements out of principal of the trust from which such beneficiary is receiving income for such purposes and in such amounts as my said Trustee may determine, and the receipt of such beneficiary shall be a full and complete acquittance therefor.

ITEM VII. I nominate, constitute and appoint Security Trust Company as Executor of this my last will and testament [1221] and as Trustee of the trusts herein created and established.

IN WITNESS WHEREOF, I have hereunto subscribed my name to this my Last Will and Testament, this 8th day of December, 1953.

JOHN G. STOLL.

Subscribed in our presence by John G. Stoll, and by him declared to be his last will and testament, and at his request we have hereunto subscribed our names as witnesses to this will, in his presence and in the presence of each other, this 8th day of December, 1953.

HENRY E. REIBER.
GAYLE A. MOHNEY.

[1222] I, JOHN G. STOLL, of Lexington, Fayette County, Kentucky, do hereby make, publish and declare this to be a Codicil to my Last Will and Testament dated December 8, 1953.

FIRST: I give, devise and bequeath to Security Trust Company, as Trustee, the real estate, with improvements thereon, known as No. 234 West Second Street in Lexington, Kentucky, to hold, manage and control the same for the use and benefit of Mary Owens and Issie Owens during their joint lives and until the death of the survivor of them, with the right of the said Mary Owens and Issie Owens, until the death of the survivor, to use and occupy said property free of all rent and charges of any kind; and I further direct my said Executor and Trustee to pay all taxes, insurance, upkeep and repairs upon said property.

Upon the death of the survivor of the said Mary Owens and Issue Owens, said property shall pass as a part of the residue of my estate and be administered in the same manner as provided in my last will and testament.

My Trustee shall have all of the powers conferred upon the Trustee of my residuary estate in my last will and testament.

SECOND: I give and bequeath the sum of Five Hundred Dollars ($500.00) to the Endowment Fund of the Shriners' Hospital for Crippled Children of the City of Lexington, Kentucky.

[1223] THIRD: I own substantially all of the capital stock of Lexington Herald-Leader Co., a Kentucky corporation organized for the purpose of engaging in the business of publishing and distributing The Lexington Herald, The Lexington Leader, and The Sunday Herald-Leader. I authorize and request Security Trust Company, as Trustee, to whom said capital stock is bequeathed and devised under Items III and IV of my last will and testament, to vote for and elect as the three members of the Board of Directors of said company (1) the President of Security Trust Company; (2) the General Manager of the company; and (3) my attorney Gayle A. Mohney, or in the event of his death a member of his firm, Stoll, Keenon & Park; and it is my hope and desire that the present conservative busi-

ness policies of said newspapers will be continued after my death.

IN WITNESS WHEREOF, I have hereunto subscribed my name to this Codicil to my Last Will and Testament, this 9th day of December, 1953.

JOHN G. STOLL.

Subscribed in our presence by John G. Stoll, and by him declared to be a Codicil to his Last Will and Testament, and at his request we have hereunto subscribed our names as witnesses to this Codicil, in his presence and in the presence of each other, this 9th day of December, 1953.

HENRY H. HORNSBY.
GAYLE A. MOHNEY.

[1224] I, JOHN G. STOLL of Lexington, Kentucky, do make, publish and declare this to be a Codicil to my Last Will and Testament.

First: I own a building on the south side of West Short Street in Lexington, Kentucky, which I purchased from the estate of E. B. Ellis, and in which Miss Maude Gibbins occupies an apartment. I direct my Executor and Trustee to permit Miss Gibbins to continue to occupy said apartment, as she has done for many years, free of rent during the rest of her life; provided, however, that my Executor and Trustee may, in its discretion, furnish Miss Gibbins with other living quarters which it considers comparable to said apartment which she now occupies.

Second: I direct my Executor and Trustee to pay as soon as practicable after my death and out of the principal of my estate, the sum of Two Hundred and Fifty Dollars ($250.00) to each person who is employed at my home at the time of my death.

Third: My daughter, Lida S. Sanders, has expressed a desire to have the silver sherbert cups upon which are my initials and an iron table with a marble top made for me by Stanley Saunier, and I hereby direct my Executor and Trustee to give them to her.

IN WITNESS WHEREOF, I have hereunto set my hand and declare this to be a Codicil to my will, this December 8, 1953.

JOHN G. STOLL.

Signed and acknowledged by John G. Stoll as and for a Codicil to his Last Will and Testament, in our presence and by us subscribed as attesting witnesses, at his request and in his presence and in the presence of each other, this 8th day of December, 1953.

HENRY E. REISER.
GAYLE A. MOHNEY.

[1225] I, JOHN G. STOLL, of Lexington, Kentucky, do make, publish and declare this to be a Codicil to my Last Will and Testament.

FIRST: I give the sum of One Thousand Dollars ($1,000.00) to each of the children of Duncan Stewart; namely, Duncan S. Stewart, Jr. and Virginia Harrison Stewart.

SECOND: I give to the Second Presbyterian Church, of Lexington, Kentucky, the sum of Five Thousand Dollars ($5,000.00).

THIRD: I have made two loans to Duncan Stewart, which are evidenced by his promissory notes payable to my order in the principal amounts of Twenty Thousand Dollars ($20,000.00) and Fourteen Thousand, Two Hundred Dollars ($14,200.00), respectively. I give and bequeath said two notes, and any renewal or extension thereof in whole or in part, together with any and all accrued interest thereon, to my wife, Virginia Duncan Stoll.

IN WITNESS WHEREOF, I have hereunto subscribed my name to this Codicil to my Last Will and Testament this 9th day of September, 1955.

JOHN G. STOLL.

Subscribed in our presence by John G. Stoll, and by him declared to be a Codicil to his last will and testament, and at his request we have hereunto subscribed our names as witnesses to this Codicil, in his presence and in the presence of each other, this 9th day of September, 1955.

GAYLE A. MOHNEY.
GENEVA HELM.

[1226] I, JOHN G. STOLL, of Lexington, Kentucky, do make, publish and declare this to be a codicil to my Last Will and Testament.

I devise and bequeath to Fred B. Wachs of Fayette County, Kentucky, all of the right, title and interest which I may own at the time of my death in what is known as the Doctors' Building and the lot upon which said building stands on the north west corner of North Upper and Second Streets in the City of Lexington, to be his absolutely.

IN WITNESS WHEREOF, I have hereunto affixed my signature and declare this to be a codicil to my will, this the 14th day of December, 1957.

JOHN G. STOLL.

Signed and acknowledged by John G. Stoll, as and for a codicil to his last will and testament, in our presence and by us subscribed as attesting witnesses, at his request and in his presence and in the presence of each other, this the 14th day of December, 1957.

JAMES PARK.
GRADNEY HARVILLE.

[1227] I, JOHN G. STOLL, of Lexington, Kentucky, do make, publish and declare this to be a Codicil to my Last Will and Testament.

FIRST: I have recently signed a note as co-maker with my wife, Virginia Duncan Stoll, payable to Bank of Commerce in the principal sum of Twenty Thousand Dollars ($20,000.00). If at the time of my death any part of said note remains unpaid, then I direct my Executor to pay such unpaid balance, together with the accured interest thereon, as a claim against my estate.

SECOND. In all other respects I hereby ratify, approve, confirm and republish my last will and testament dated December 8, 1953, and all codicils thereto.

IN WITNESS WHEREOF, I have hereunto affixed my signature and declare this to be a Codicil to my Will, this the 9th. day of April, 1958.

JOHN G. STOLL.

Signed and acknowledged by John G. Stoll, as and for a Codicil to his last will and testament, in our presence and by us subscribed as attesting witnesses, at his request and in his

presence and in the presence of each other, this the 9th. day of April, 1958.

JANE G. MOYNAHAN.
GAYLE O. MOHNEY.

[1228]' *In United States District Court*

PLAINTIFF EXHIBIT 127

38 AMERICAN BANKER December 20, 1961

COMMERCIAL FINANCE, BANKING INTER-RELATIONSHIP, STRESSED—BOTH SERVE DIFFERENT NEEDS, SAYS LEFFORGE

By THOMAS LEFFORGE, President of Commercial Discount Corp., Chicago, and Chairman of the Board of National Commercial Finance Conference

Probably no two industries offering similar services, and having similar customers, are more inter-related than banking and the commercial financing business. This is not an anomaly when considered that although both merchandise the same product—money—to customers, they are not truly competitive since they satisfy different needs and operate under different rules.

The average businessman understands the need for both types of financing—what he frequently doesn't realize, however, is that commercial finance companies utilize correspondent banking to render more efficient services.

Basically, the commercial finance company also is a bank customer, taking advantage of one of the principal functions of a commercial bank, obtaining a loan. That this line of credit is used in turn to make loans to businessmen, at a profit—and at greater risk—is only incidental to the actual transaction.

FIRST, MOST IMPORTANT

This obviously is the first, and a most important, reason why commercial finance firms are vitally interested in the smooth functioning of the correspondent banking program. Although the commercial finance company normally has one or more

credit lines in larger banks, it frequently must obtain additional funds and this means calling on correspondent banks.

In such a case, the large bank either refers the company to a correspondent bank which has funds available for this purpose, or disseminates the necessary credit information directly, to facilitate the transaction.

This established communication, first

CORRESPONDENT BANKING FEATURE

Written Especially for This Issue of the

AMERICAN BANKER

between banks, and second between banks and commercial finance companies, forms the basis for our entire commercial finance system. Without this working relationship, the commercial finance industry would find it difficult indeed to satisfy the needs of its customers, particularly on occasions when it is necessary to obtain additional lines of credit.

BECOMES READILY APPARENT

When the immediate availability of money is important to a commercial finance company customer's business, the importance of the correspondent banking system becomes readily apparent. Often days and even hours of delay could

[Illustration omitted]

THOMAS LEFFORGE

result in heavy losses to both the customer and the finance company. If for example, a businessman in San Francisco deals with Commercial Discount Corp. in Chicago, he may find occasion to request an immediate transfer of funds to meet emergency needs.

Here the correspondent bank system offers a very rapid means of transmitting funds throughout the country, without the necessity of making a physical transfer of funds through the medium of a check or draft. Where it might normally take two days for a check to reach this client in San Francisco, and another two days for our check to clear the banks and

become "collected funds" at the bank of the finance company's client in San Francisco, this process can be speeded up either through the bank wire transfer system or one of the other methods commonly used in the correspondent banking system to facilitate the transfer of funds.

In this case, the lender deposits the necessary money in his bank and asks the bank to wire its correspondent bank in San Francisco (the client's bank) that it has credited the correspondent's account with this amount, to be made available for use by the client.

DELAY ELIMINATED

To the businessman who needs these funds for any of a wide variety of purposes—purchase of additional inventory, leasing of equipment, making available additional credit to consumers—the elimination of the delay can mean the difference between success and failure of the transaction for which the money is required.

Nor can we ignore the importance of this communications system as a type of financial credit clearing house. This important function includes the checking of credit for finance company clients, and is widely used not only in the finance business but also in the entire field of commerce.

Once again we may cite the case of a prospective client in a distant city who requests a line of credit from a commercial finance company in perhaps, New York. Here, the finance company * * * of credit, through communication between corresponding banks.

Generally, this information is more freely exchanged and therefore is readily

COMMERCIAL FINANCE INTER-RELATIONSHIPS WITH BANKING CITED

available to the finance company's New York bank. This bank therefore contacts its correspondent bank in the distant city, to obtain the necessary information. This not only provides a reliable reference source for the finance company, but speeds up the lending process by eliminating the necessity for a costly and protracted credit investigation.

Finally, the close working relationship between finance companies and banks, and between correspondent banks, also acts as a important source of prospective clients for the commercial finance company. The National Commercial Finance Conference can cite literally hundreds of cases where member companies have initiated contact of business men through local banks.

Very frequently, smaller banks have clients with financing problems which the local bank is unable to solve. If the bank is restricted from making the type of loan which the business needs, it will contact its correspondent in a larger city. It is not unusual in such a case, for the larger bank in turn, to refer the business to one of its commercial finance company customers.

EXAMPLE CITED

We can sum up the importance of the correspondent banking system, to commercial finance companies, by citing the following example:

Assume that the "A" Manufacturing Company of Cleveland, Ohio, wishes to finance a shipment of goods to the "B" Company of Phoenix, Arizona. The "A" Company may be forced to grant repayment terms in excess of the 60-120 days normally required for a commercial bank loan of this nature and therefore is referred to a Chicago bank, which in turn contacts one of its finance company customers.

Obtaining the necessary credit information via communications between the Chicago and Cleveland banks, the financer then deposits the necssary funds in his Chicago bank, which in turn credits the account of the Cleveland bank and notifies it of the transaction. The funds are then credited to the "A" Company account to be drawn upon as needed.

The complexities of the modern world of commerce have nurtured a host of problems for today's business man, it is true. But like the "A" Company, he finds that it also has resulted in the development of rapid and more efficient financial services to meet the needs of the changing times.

Today more than ever, the commercial finance or factoring company is dependent upon and coordinates its activities more

closely with the American Banking system. And this has in great part, been made possible, by the expanded services offered by correspondent banking.

[1229] *In United States District Court*

PLAINTIFF EXHIBIT 128

EXCERPTS FROM "FINANCING SMALL BUSINESS," REPORT BY THE FEDERAL RESERVE SYSTEM TO THE COMMITTEES ON BANKING AND CURRENCY AND THE SELECT COMMITTEE ON SMALL BUSINESS, 85TH CONG., 2D SESS. (APRIL 11, 1958)

The most important group of short- and intermediate-term lenders to small business are the commercial banks. (p. 29)

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The numerous studies on the cost of security flotations point up the difficulties besetting the small corporation in its attempt to tap the capital market for funds. The external financing problem of the only institutional source to which small, unincorporated firms may look for long-term debt, and one of the few sources available to the small corporation, is the commercial bank. (p. 30)

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While life insurance companies are a dominant institution in the medium- and long-term business credit market, they have been a relatively unimportant source of funds to small business. Their operations have been too centralized to provide mass financing of small loans. Their fiduciary responsibilities to policy holders and a vast network of State regulation of investment policy has tended to limit insurance company business loans to borrowers of large amounts—characteristically large corporations—with high credit ratings. (p. 35)

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In view of the absence of detailed data on the financing of small concerns, particularly by type of industry, it is not possible to present a simple and comprehensive picture of how small business or any of its major segments is financed. Nor is it possible to develop a convincing picture of changes in financing patterns overtime. The principal sources of loanable

funds to small business are—and have been for many decades—the commercial banks and nonfinancial businesses which extend trade credit and other forms of interbusiness financing. (p. 39)

[1230] The inability of small business to secure adequate financing for investment in the establishment, modernization, and expansion of a business enterprise through either the sale of equity and other earnings from which to make such investments on a long-term basis, leaves small business restricted to financing through the use of borrowed capital.

The principal source of small-business borrowing is from commercial banks. The ability of small business to borrow needed capital from commercial banks is dependent primarily upon the ability of the small-business concern to first establish a line of credit with the bank in question. (p. 36)

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A small business concern without a line of credit from a commercial bank is in serious difficulty. That fact is obvious. (p. 37)

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In a preceding section of this report it has been pointed out that the commercial banks, for the most part, engage in short-term and intermediate financing of business. Life-insurance companies as a rule are not interested in short-term loans. The average maturity of the loans made by life-insurance companies is in excess of 10 years. They have specialized in intermediate and long-term credits provided through open-market purchases of corporate bonds and notes, direct purchases of such instruments, and mortgage loans on nonresidential property. (p. 55)

• • • • •

Life insurance companies have shown a preference for investment in large blocks, and for securities enjoying active national markets. By law and tradition, caution is required in the investment of their funds. Safety of principal is their watchword, and they do not seek loans with any great risk; especially when demands for high-grade loans at favorable yields are large enough to absorb all available funds. Thus,

except for mortgages properly secured by real estate and industrial plants, the life-insurance company funds are unavailable for small business. (p. 60)

[1231] The clients of commercial finance companies and factors, by and large, are firms whose creditworthiness is such that they find it difficult to secure bank loans in the amounts needed. Generally, the form of credit extended by commercial finance companies involves substantial handling costs and above average risk, so that the rates which they charge for their services are considerably higher than rates applicable on bank loans. (p. 362)

* * * * *

Even given the necessity of minimum credit standards in bank lending, as discussed earlier in this report, it is widely recognized that evaluation of credit risks is not an exact science. It may be easy to assess the creditworthiness of a large, well-established firm with a history of successful operations that is proven by audited records. But it takes considerable skill and judgment to evaluate the creditworthiness of a small firm, particularly a new one, whose prospects may depend heavily on the ability and health of the owner and whose past record may be based partly on intangible factors which are difficult to assess.

Recognizing the above distinction, it is understandable that there are many gradations of credit risk which might be assigned by different loan officers to the same small-business loan application. While the decision may be based, in part, on certain formulas involving various financial ratios, there are other aspects of risk which cannot be quantified in lending to small business.

Thus it is clearly possible that a loan application deemed to be too risky by one bank might be granted, with appropriate safeguards, by another bank. (p. 411)

[1232] *In United States District Court*

PLAINTIFF EXHIBIT 129

Form 1931 (Rev. July 1960)

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
December 1, 1960.

APPLICATION FOR APPROVAL TO CONSOLIDATE

COMPTROLLER OF THE CURRENCY,
Washington 25, D.C.

SIR: Pursuant to the attached certified copies of resolutions of the Boards of Directors of the following banks (see Exhibit O), application is hereby made for the approval of the Comptroller of the Currency, which is required under the provisions of Section 18(c) of the Federal Deposit Insurance Act, as amended (12 USC 1828(c)), and Section 215 of Title 12, United States Code, to consolidate: First National Bank and Trust Company of Lexington, Lexington, Fayette County, Kentucky, Charter Number 906, and Security Trust Company, Lexington, Fayette County, Kentucky, under the charter of First National Bank and Trust Company of Lexington, and with the title First Security National Bank and Trust Company of Lexington.

Desired effective date: January 17, 1961.

[1233] Application is hereby also made on behalf of such Resulting Bank to the Comptroller of the Currency, pursuant to Section 5155 of the United States Revised Statutes, to establish and operate in the following locations, which locations are now occupied by offices of First National Bank and Trust Company of Lexington and Security Trust Company:

Proposed Classification	Popular Name and Location:	County Population
Head Office	157 West Main (currently head office of First Nat'l)	128,758
Branches	Short Street Branch, 271 West Short St., (currently head office of Security Trust).	128,758
	North Broadway Branch, Broadway & Loudon Avenues (currently branch of Security Trust).	128,758
	Chevy Chase Branch, 727 Euclid Avenue (currently branch of First National).	128,758
	Southland Branch, 416 Southland Drive (currently branch of First National).	128,758
	Eastland Branch, 268 Eastland Shopping Center (currently branch of First National).	128,758

There are also attached, and made a part of this application, a copy of the agreement between the participating banks relating to the proposal which provides the basis of this application and supplementary documents, statements, schedules, and exhibits relative to the factors which the Comptroller of the Currency and other Federal agencies are required to consider under the provisions of applicable statutes.

Also attached, beginning on page 3 immediately following, is a summary of the basic reasons and the negotiations which led to the filing of this application and explanation of the extent of common ownership or management of the participating banks.

No consideration, monetary or otherwise, has been paid, given, or offered to any stockholder, director, or officer of either bank as compensation or inducement for assistance in consummating the proposed transaction; except that it should be noted that the legal firm of Stoll, Keenon, and Park of Lexington, which is now counsel for First National Bank and Trust Company of Lexington, will assist the participating banks in whatever manner necessary to provide legal counsel and service, and will be paid reasonable fees for such services; and further that Mr. Gayle A. Mohney, an Advisory Director of First National Bank and Trust Company of Lexington, is a member of the firm of Stoll, Keenon, and Park.

Additional details concerning the proposal may be obtained by communication with Mr. LeRoy Miles, President, First National Bank and Trust Company of Lexington, telephone number 4-0290.

It is understood that the cost of any necessary examination or investigation in relation to this application will be borne jointly by First National Bank and Trust Company of Lexington and Security Trust Company, to be divided between them by mutual agreement in whatever manner they may determine, but that the responsibility for payment of any costs will be borne by First National Bank and Trust Company of Lexington.

APPLICANTS

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON,
By: LEROY MILES,
President.

SECURITY TRUST COMPANY,
By: E. S. DABNEY,
President.

[1234] SUMMARY OF THE BASIC REASONS AND THE NEGOTIATIONS WHICH LED TO THE FILING OF THIS APPLICATION AND EXPLANATION OF THE EXTENT OF COMMON OWNERSHIP AND MANAGEMENT OF THE PARTICIPATING BANKS

(A) NEGOTIATIONS

After the most careful and deliberate consideration by directors of both banks, it was mutually agreed that a consolidation of the two institutions would be beneficial to the shareholders and customers of both banks and to the community as well.

A possible merger of the two banks has been under consideration for several years. In fact, a mutual friend of both banks, a prominent banker in another financial center, well acquainted with the situation in Lexington, in 1957 suggested a merger to both banks and outlined how such merger would inure to the benefit of the shareholders and the customers of the banks and to the community.

During the intervening years consideration was given to a prospective merger.

In the spring of 1960 some of the directors of both banks conceived the idea that it would be desirable to enlist the aid and counsel of one of the largest banks in New York or Chicago,

an institution of recognized position and standing, well known to the public generally, possessed of integrity and ability, and preferably acquainted with the local situation in Lexington. After due consideration, the Morgan Guaranty Trust Company of New York was selected because it was considered to have these qualifications and furthermore because it represented a fairly recent merger of Guaranty Trust Company and J. P. Morgan & Company. Furthermore, both Lexington banks for many years had been correspondent institutions of Morgan Guaranty Trust Company, which enjoyed full confidence of the officers of both local banks, through many years of association. Upon request of both local banks, the Morgan Guaranty Trust Company agreed to undertake the task of studying the two local situations and of coming up with a plan of merger which it would consider to be fair and reasonable to the stockholders of both local banks.

(B) BASIC REASONS FOR CONSOLIDATION

At the outset of this explanation the applicants state that neither bank feels a necessity for consolidation in order to protect either depositors or shareholders, although it is believed to be beneficial to both. It is felt that the resulting bank will be neither more nor less progressive and competitive than are the participating banks now. In [1235] addition, we do not feel that other competing banks, as well as other competing financial institutions, will suffer by reason of the proposed consolidation but will rather gain through the community growth that we are convinced this transaction will stimulate.

To the contrary, it is the belief of the applicants that Lexington needs additional financial resources, and that this consolidation will aid in providing them.

Under present circumstances, in order to grow at an accelerated pace commensurate with current community growth, an individual bank in Lexington, Kentucky, would of necessity need to grow at the expense of the other banks, i.e., by taking deposits and customers from them. This is not what our community needs. Nor has past experience shown it to be happening here, as supporting statistics and information submitted with this application will show.

Rather, what Lexington needs is to attract new financial resources, commensurate with actual community needs, and the applicants propose to show in this application that such attraction of funds would be entirely possible if the size and strength of local banks were such as to permit proper solicitation of outside resources, in competition with other financial centers. This consolidation would benefit other competing local banks, as well as the resulting bank and the community.

To summarize briefly the basic reasons we feel the consolidation desirable, following are statements regarding the different specific areas we feel the consolidation will serve. A more fully detailed treatment will be given in the remainder of the application as the questions of form 1931 are answered to the best of our ability to set forth the facts. We would welcome the opportunity to furnish additional facts that you may feel necessary to your investigation, and we would welcome a visit from you or a representative of your office in order that we might present a visual and oral substantiation of the statistics presented, as well as to discuss any questions which may occur.

(a) *There is a need to attract additional financial resources to this community.* The Lexington community, formerly an agricultural and educational center, has changed to a more mixed type of metropolitan area, adding an industrial growth at an accelerated pace. The educational and residential face of the city has expanded manyfold during the same period. Starting with the establishment of the Lexington Industrial Foundation in [1236] the early Fifties, and in conjunction with the efforts of other leaders interested in the establishment of a medical school and an industrial research center, the community progressed and expanded more quickly than the abilities of the local banks to compound earnings, grow in deposits, and fill the financial needs. Detailed information and statistics are embodied in this application concerning this growth.

(b) *Large concerns have established branch or divisional plants in Lexington, bringing large numbers of workers into the community, and attracting numbers of small "satellite" plants and firms who serve them—all without bringing a correspondingly large increase in deposits, which is necessary to serve the needs of the workers and the smaller service industries.* It is

believed that the resulting bank, with its greater capacities, will be able to compete more actively with the larger financial centers in obtaining larger deposits from these national concerns which now use local banks more or less as transfer accounts.

(c) *An increasing amount of correspondent bank balances could be attracted to this community by the resulting bank, whereas now the small banks of this region are carrying principal balances in Cincinnati; Louisville; Huntington, West Virginia; and Knoxville.* It is contended that the resulting bank, with the ability to furnish services that are equivalent to those furnished in the larger financial centers, could compete actively with the larger banks of these centers, since Lexington is situated more strategically to serve the needs of the small banks of the region close by us. First National is the only local bank with a separate Correspondent Bank Division actively soliciting this type of business on a large scale, and it is believed that attraction of such funds to Lexington would benefit other competing local banks through community expansion.

(d) *The lending capacity of the resulting bank would greatly exceed the present capacity of the participating banks.* Supporting information in this application will illustrate the growing need for more lending capacity in this locality.

(e) *There is no overlapping of branch service areas in the case of the two participating banks.* Therefore there will be no branches to close, with no consequent lessening of service. In addition, competing local banks have adequate branch locations in Lexington, thereby furnishing to the public a wide range of choice, and there will be no [1237] lessening of convenience of choice for the public as a result of this consolidation.

(f) *It is believed that the resulting bank will have a depth of management, not only in the principal executive area, but in all levels of management and supervisory positions, superior to that of the banks separately, which would be beneficial both to the banks and to the community.* This, we believe, is one of banking's greatest responsibilities, to provide adequately managed financial service in all areas, and to provide for management succession. This form does not call for a listing of staff below the principal executive area, but we believe that a list-

ing of the junior executive levels would emphasize even further this point.

(g) *The general opinion of most banking authorities is that automated processes and operating efficiencies are a "must" for proper growth of banking in the future at a level commensurate with the growth of the economy and the needs of business and the public.* There is little need to argue this point, since your office has long been interested, and much has been written on this point by leading authorities. However, we point out two things: (1) that we too are taking such steps to improve operations, envisioning so much more to be gained in a joint effort, and (2) that we feel eventual automation and efficiency a necessity in order to provide adequate service if we are to compete for correspondent bank deposits with the other financial centers. We feel consolidation would aid such efforts.

(h) *We feel a definite need for a larger Trust Department, adequate to give the service and attention required in the handling of large estates.* Large banks from other financial centers are active in solicitation in our area. We have been told from time to time that we were not large enough to give the service desired. And it is also worthy of comment that there are a number of very wealthy families in and around Fayette County, whose estates are of such size that they will attract solicitation from larger banks.

(i) *Although the resulting bank will be the largest bank in the city, we do not feel there would be undue concentration of resources, nor do we feel that any of the present competitive pressures would be lessened in any of the areas of service provided.* We do not feel that size alone in this community insures any continued growth in proportionate share of business, as we will point out in a later exhibit showing the growth record of First [1238] National over the years. In addition, in Exhibit (K) we will comment upon the specific areas of service and the competition therefor, and propose to illustrate the ample competition for all services in this community.

(C) EXTENT OF COMMON OWNERSHIP OR MANAGEMENT OF THE PARTICIPATING BANKS

(a) *Concerning management:* There is no common management, inasmuch as there are no common directors or officers.

(b) *Concerning ownership:* Exhibit (L) attached contains a complete listing of all common owners, showing each person individually and the aggregate holdings.

(1) FINANCIAL HISTORY AND CONDITION

Dates of primary organizations: First National Bank and Trust Company—March 13, 1865; Security Trust Company—March 16, 1886.

During the last ten years, dates of any reorganization, merger, consolidation, acquisition of assets, or assumption of deposit liabilities, and details thereof: First National Bank and Trust Company—None; Security Trust Company—None.

[1239] *Statement of Assets and Liabilities as of October 3, 1959*

[Amounts in thousands]

Assets	First National	Security	Adjustments Explain on Next Page		Pro Forma Statement Resulting Bank
Cash & due from banks	11,288	4,001		2,000 (1)	13,289
U.S. Government obligations—Direct & fully guaranteed	13,682	2,804			16,287
Obligations of States and political subdivisions	1,419	1,489			2,908
Other securities	88	326			414
Loans & discounts—net	32,959	12,343			45,232
*Valuation reserves deducted	(431)	(333)			(764)
Bank premises	713				713
Furniture & fixtures	182				182
Other assets	348	1			349
Total assets	80,577	20,707		2,000	78,944
LIABILITIES					
Demand deposits	40,894	10,942			50,847
Time & savings deposits	12,171	5,196			17,369
Total deposits	53,175	16,297			68,472
Other liabilities	1,489	2,538	2,000 (1)	80 (3)	3,938
CAPITAL ACCOUNTS					
Capital	1,250	1,000		250 (3)	2,500
Surplus	1,250	1,250		50 (4)	2,500
Undivided profits	2,402	772	250 (3) 50 (4) 80 (2)		2,794
Other capital accounts	160				160
Total capital accounts	6,062	2,972	380	300	7,994
Total liabilities and capital accounts	80,577	20,707	2,380	380	78,344
*Valuation reserves:					
Res. for Bad Debts	302	132			434
Res. for Amort. premium	19				19
Res. for Security Losses	110	171			281
	431	333			734

[1240] *Description and Explanation of Adjustments*

Adjustment No.	Explanation
(1)	As of the date selected, Security Trust Company had bills payable to Federal Reserve Bank of Cleveland in the amount of $2,000,000.00. Since this, of course, was temporary, and in order not to inflate the Pro-Forma statement, this amount is deducted from "Cash" and from "Other Liabilities".
(2)	As indicated in the Agreement submitted with this application, there will be a reduction of Capital Accounts by a cash dividend of $80,000.00 to shareholders of First National Bank and Trust Company as part of the determination of the basis for agreement.
(3)	Capital will be increased by a $280,000.00 transfer from Undivided Profits, in order to make total capital of the resulting bank of $3,000,000.00.
(4)	Surplus will be increased by a $80,000.00 transfer from Undivided Profits, in order to make total surplus of the resulting bank of $2,500,000.00.

[1261] *Analysis of Loan and Deposit Accounts*

[Amounts in thousands]

Analysis of Loan Account	First National	Security
Commercial and industrial loans	6,696	3,221
Loans to farmers (not on real estate)	2,200	116
Single payment loans to individuals	4,761	808
Total	13,957	3,943
Loans on farm real estate	873	220
Loans on residential property—FHA and GI	9	28
Loans on residential property—not guaranteed	2,818	3,497
Loans on business and other property	4,774	1,882
Total	7,673	5,553
Loans to brokers and dealers in securities	5	69
Instalment loans on automobiles	6,625	897
Instalment loans on consumer goods	422	216
FHA—Title I loans	2,808	889
Other instalment loans	1,048	420
Total	10,703	1,820
All other loans	1,224	1,104
Loans and Discounts—Gross	33,201	12,486
Less reserves	302	139
Loans and Discounts—Net	32,899	12,343
Demand Deposits:		
Individuals, partnerships, and corporations	32,412	9,434
United States Government	1,117	208
States and political subdivisions	5,857	175
Banks	2,062	10
Certified and officers' checks	526	42
	40,004	10,043
Time Deposits:		
Individuals, partnerships, and corporations	12,681	3,019
United States Government	160	----
States and political subdivisions	480	175
Total Time Deposits	13,171	3,194
Total Deposits	53,175	13,237

[1242] (2) ADEQUACY OF CAPITAL STRUCTURE

No changes are to be made to the capital structure, with the exception of the adjustments indicated in the foregoing schedule "DESCRIPTION AND EXPLANATION OF ADJUSTMENTS".

(3) FUTURE EARNINGS PROSPECTS

The following estimate of earnings is based on these assumptions: that security yields will continue to be down, that loan volume will continue to be somewhat at present levels (and this volume is now higher than 1959), that salary costs will be higher (as is already true in 1960) although there will be some savings through operating efficiencies and non-replacement of employees leaving. Although we feel the first twelve months' operating income will show some effect of operating efficiencies, we feel that earnings of later years will better show the impact of the transaction as progress is made toward efficient systems and automated processes.

[Amounts in thousands]

	Year 1959		Estimate first twelve months' operations of resulting bank
	First National	Security	
Current operating income:			
Interest & dividends on securities	489	185	680
Interest & discount on loans	1,721	620	2,600
Commissions, fees, and collection, exchange, and service charges	130	57	205
Other current operating income	335	347	700
Gross Current Operating Income	2,675	1,249	4,075
Current operating expense:			
Salaries, wages, and fees	725	280	1,160
Interest on time & savings deposits	320	130	475
Interest and discount on borrowings	4	4	8
Taxes (other than on income)	94	48	180
Recurring depreciation	36	----	45
Other current operating expenses	477	275	725
Total Current Operating Expense	1,730	737	2,513
Net Current Operating Income	945	508	1,562

Net Current Operating Income Previous Five Calendar Years

Year	First National	Security
1959	941	308
1958	957	395
1957	691	434
1956	777	380
1955	690	390
Average	798	422

[1243]

(4) MANAGEMENT

(A) PROPOSED DIRECTORS

Name	Occupation	Age	Par Value of Stock to be Owned in Resulting bank:
David Ades	Pres., Ades-Lexington Dry Goods Company	77	$11,100.00
Dan D. Brock	Secretary-Treasurer, Brock McVey Company	54	4,400.00
William H. Courtney	Former Chairman of Board, First National Bank.	74	12,000.00
W. Rodes Estill	Farmer	57	16,050.00
Walter W. Hillenmeyer, Jr.	Partner, Hillenmeyer Nurseries	43	3,000.00
Fraser D. LeBus, Jr.	Farmer & Tobacco Warehouseman	37	3,000.00
William E. Lehman	Pres., Lehman-Roberts Company of Kentucky	72	7,900.00
LeRoy Mills	President	53	3,300.00
John S. Nichols	Former Vice Chairman of Board, First National Bank.	75	15,000.00
E. S. Dabney	Chairman of Board	63	12,320.00
Leonard G. Cox, Jr.	Pres., Graves Cox & Company	45	13,725.00
Louis E. Hillenmeyer	Partner, Hillenmeyer Nurseries	74	5,375.00
Salem A. Walker	Vice President, Security Trust Company	80	27,500.00
J. Stephen Watkins	Senior Partner, J. Stephen Watkins Consulting Engineers.	68	5,500.00
F. H. Wright	Partner, Geary-Wright Tobacco Company	67	17,500.00

Name and Title	Age	Annual Salary	Par Value of Stock to be Owned in Resulting Bank
E. S. Dabney, Chairman of the Board. (Currently President of Security Trust Company; also Director, Ashland Oil & Refining Company; Vice Pres., Limestone Gas Company, Maysville; Trustee, Ky. Independent College Foundation; Trustee, Berea College; Treasurer of Frontier Nursing Service, Pine Mountain Settlement School, Central Ky. Concert Assoc.)	63	$25,000	$12,224.00
LeRoy Miles, President. (Currently President of First National Bank & Trust Company; also Director, Cincinnati Branch, Federal Reserve Bank of Cleveland; Director, United Community Fund; Director & Treasurer, Ky. Medical Foundation; came with First National in 1930.)	53	25,000	2,360.00
Julian B. Beard, Executive Vice President. (Currently Exec. Vice Pres. of First National Bank & Trust Company; came with First National in 1934; is also member of the bank's Executive and Finance Committees; graduate, Stonier School of Banking at Rutgers; Director and Treasurer, Lexington Chamber of Commerce; Treasurer & Director, Lexington Country Club; member, Kiwanis civic club.)	55	18,500	1,425.00
Homer L. Drew, Vice President and Trust Officer. (Currently Vice President and Director, Security Trust Company; came with bank in 1936; besides Trust work has been responsible for public relations and personnel; graduate, University of Kentucky; Director, Bluegrass Executive Club; President, United Cerebral Palsy of the Bluegrass; Vice President, Lexington Insurance Trust Council; Personnel Advisor, Ky. Welfare Agency Board.)	36	12,500	250.00
James F. Liston, Vice President. (Currently Vice President, Operations, of First National Bank & Trust Company; came with bank in 1930 and has held positions of Vice President, Cashier, Auditor, Manager of Credit Department, Teller, General Bookkeeper, Individual Bookkeeper.)	50	10,800	800.00
Edwin V. Mack, Vice President and Trust Officer. (Currently Vice President and Advisory Director, First National Bank & Trust Company; came with bank in 1935; is an Attorney and member of the Kentucky and North Carolina bar associations; immediate past President and member Executive Committee, Lexington Life Insurance Trust Council; member and secretary of Vestry, Church of the Good Shepherd; Perpetual Deacon, Protestant Episcopal Church; Instructor, C.L.U. course, University of Kentucky.)	42	16,800	1,200.00
Thomas N. P. McCormick, Vice President. (Currently Vice President, Commercial Loan Department, First National Bank & [1245] Trust Company; came with bank in 1949 and has held the positions of Assistant Cashier and Vice President, Instalment Loan Department; member of Advisory Board, Fourth Federal Reserve District Instalment Loan Commission; Vice President, United Community Fund; Director, Lexington Credit Men's Association.)	46	15,200	1,400.00

(a) PROPOSED OFFICERS

Name and Title	Age	Annual Salary	Par Value of Stock to be Owned in Resulting Bank
Paul J. Mansfield, Vice President (Currently Vice President, Instalment Loan Department, Security Trust Company; came with bank in 1964; formerly employed by Avco Manufacturing Company, Universal C.I.T. Corporation, Seaboard Commercial Corporation.)	33	$12,000	$500.00
J. Ed Parker, Jr., Vice President (Currently Vice President and Manager, Farm & Real Estate Division, First National Bank & Trust Company; came with bank in 1948; Director, Carnahan House; Director, Fayette County Farm Bureau; Vice Pres., Lexington Municipal Housing Commission; Advisory Board, Kentucky Geological Survey; member of State Extension Council, Thoroughbred Farm Managers Club, American Society of Farm Managers & Rural Appraisers, Thoroughbred Club of America, Lexington Real Estate Board, Lexington Rotary Club; graduate, University of Kentucky.)	52	15,000	$25.00
J. D. Reeves, Vice President (Currently Vice President, Instalment Loan Department, First National Bank & Trust Company; came with bank in 1960; member of Instalment Credit Committee, Ky. Bankers Association; church Trustee and Board Member; Treasurer, Clays Mill P.T.A.; Director, Eastern Little League; Lifetime member Junior Chamber of Commerce and chosen 1966 Outstanding Young Man of Lexington by Jaycees; member of Thoroughbred Club of America, Tates Creek Country Club, Sportsmens Club; President, Service Club Bowling League.)	39	9,700	375.00
James H. Robinson, Jr., Cashier (Currently Cashier, First National Bank & Trust Company; came with bank in 1956; President, Lexington Clearing House Association; Trustee & Treasurer, Centenary Christian Church; Treasurer, National Foundation; Treasurer, March of Dimes; Treasurer, Cardinal Hill Nursery School; First Vice Pres., Lexington Lions Club.)	46	9,500	1,500.00
Leonard C. Smith, Vice President (Currently Vice President, Correspondent Bank & Public Relations Department, First National Bank & Trust Company; Trustee & Chairman of Admissions for Kentucky, Banking School of the South at L.S.U.; member Executive Committee, Kentucky Bankers Association; Chairman, American Bankers Association Ky. Committee, Foundation for Commercial Banks; Vice Pres., Ky. Independent College Foundation; Director, Better Business Bureau; former Chancellor of Georgetown College.)	61	12,000	375.00
Roy L. Tolliver, Vice President (Currently Vice President, Commercial Loan Department, Security Trust Company; came with bank in 1964; formerly Asst. Vice President, Instalment Loan Department; graduate, University of Kentucky; previous experience with First National Bank of Cincinnati and Commercial Credit Corporation.)	36	8,400	None

[1246] (5) CONVENIENCE AND NEEDS OF COMMUNITY

	(1960 CENSUS)	
	Population of head office city (Lexington)	Population of head office service area (Fayette County)
First National	62,383	129,758
Security	62,383	129,758
Resulting bank	62,383	129,758

Listed below are the head offices of First National, Security, and each other competing commercial bank within the service areas of the participating banks. Inasmuch as the service area for each of the banks is identical, i.e. Fayette County, deposits and loans of the service area are not shown in this listing. Full information on deposits and loans is shown in Exhibit (A) attached. Concerning distances, all head offices are located in the center of the city, within sight and a few feet of each other, and therefore no attempt is made to indicate exact distances.

Number	Name, location	Total Banking offices
1	First National Bank & Trust Company, 167 W. Main St.	4
2	Security Trust Company, 271 W. Short St.	2
3	Bank of Commerce, 249 W. Main St.	3
4	Central Bank, 149 W. Short St.	1
5	Citizens Union National Bank & Trust Co., 201 W. Short St.	4
6	Second National Bank, 138 Cheapside	1

In the following schedule are listed the branch offices of First National, Security, and each other competing commercial bank. Deposit and loan figures for the branches and the branch service areas are not available. Other information is illustrated on the map which is included with this application.

Number	Name, location
	First National:
1-1	Chevy Chase Branch, 727 Euclid Avenue
1-2	Southland Branch, 416 Southland Drive
1-3	Eastland Branch, 205 Eastland Shopping Center
	Security:
2-1	North Broadway Branch, Broadway and Loudon Avenues
	Bank of Commerce:
3-1	Ashland Branch, 720 Euclid Avenue
3-2	Lafayette Branch, 1975 Harrodsburg Road
	Central Bank:
	(None)
	Citizens Union National Bank:
5-1	Lexington Road Branch, 1461 Lexington Road
5-2	Winchester Road Branch, Winchester Road & Loudon Avenue
5-3	Harrodsburg Road Branch, 1220 South Broadway
	[1347] Second National Bank:
	(None)

In accordance with the instructions of this form, a map is attached which clearly indicates the information desired concerning head offices and branches.

Security Trust Company has applications pending for the following two branches. These locations are also appropriately identified on the map.

Number	Name, location
2-3	Zandale Branch, Zandale Shopping Center, Nicholasville Road
2-4	Ruttenberg Branch, Ruttenberg Shopping Center, Harrodsburg Road

It is not planned to discontinue or abandon any branches, if the proposed consolidation is effected.

State whether the service area or areas of the Resulting Bank will be predominantly agricultural, industrial, residential, or mixed, and describe the growth trend therein over the past ten years and the present economic outlook.

The service area of the resulting bank has rapidly changed during the last decade from agricultural to industrial and residential, until its economy may now be regarded as mixed. The population growth in the recent period is primarily industrial, but many sales representatives of national organizations have located in Lexington because of its attractive residential features and central location. Divisions of such national concerns as International Business Machines (Typewriter Divi-

sion), Square D, Dixie Cup division of American Can, McKesson and Robbins, International Harvester, and others have been recent additions to our industrial community. A more complete listing is shown in Exhibit (M) attached; plus other employment and community information.

We would also call your attention to Exhibit (N) attached, which shows the results of a study made by the General Telephone Company of Kentucky. According to this report, the population increase of the metropolitan area has averaged about 3½% compounded annually since the 1950 census, which rate is about twice the national average. In this study also, General Telephone predicts continued rapid growth, citing such factors as: proposed intersection of two of the interstate highways near Lexington (I–64 and I–75); Lexington is the business and cultural center of the eastern half of the state; it is the medical service center (with additional impetus coming through construction of the $26,000,000 University of Kentucky Medical Center); it is the educational center with [1248] the University of Kentucky, Transylvania University, College of the Bible, and several smaller institutions; continued effect of the recent industrial developments.

Discuss the lending power and capacity of each of the participating banks in relation to the credit needs of its service area, and how the lending power and capacity of the Resulting Bank will relate to those needs.

While the landing AUTHORITY of the resulting bank will not exceed the combined lending AUTHORITY of the participating banks, the lending CAPACITY of the resulting bank should greatly exceed that of the participating banks. The Security Trust Company has had a relatively large capital in proportion to its deposit volume. The size of its loans has been more proportionate to its overall size and deposit volume than to the legal limits, based on its capital structure.

The First National Bank has been limited, of course, by the National Bank Act. It has been unable to meet the demand for loans arising from its large volume of commercial deposits because of the limitations, based on its capital structure.

The resulting bank will not have the handicaps presently experienced by the participating banks.

Your attention is called to Exhibit (F) attached in regard to loans exceeding the limitations of the participating banks.

It is believed that the continued growth of this community, and the consequent growth of businesses within our trade area, will create even more need in the future for a bank or banks of adequate size to provide the necessary financing.

Discuss the types of service which the Resulting Bank will offer which are not now offered by the participating banks in their respective service areas, indicating the extent to which such services are offered by other commercial banks competing within such areas.

All of the competing banks in this community, including the participating banks, have been aware of their responsibilities in this area and are providing all of the services customarily offered by commercial banks and trust companies.

Concerning additional service to the public and the community in general, it is believed that the proposed consolidation will be beneficial in the following areas:

[1249] (a) Personnel specialization. This we feel is a definite need in this community. In addition, we feel the Correspondent Bank Division, in its solicitation of bank business in competition with other financial centers, must be able to afford the smaller banks specialized investment counsel, specialized loan advice, and other services which our larger city competitors are now furnishing. Our Trust Department also needs more such specialization, in order to be more competitive with the outside banks which are soliciting in this area.

(b) With specialization, operating efficiencies, and larger capital structure, the resulting bank will experience a much larger volume of deposits from the large companies, which at the present time are not carrying major accounts in Lexington. This increase of the community's financial resources will be of major service to the customers in increased loan service.

(c) The anticipated increase in Correspondent Bank balances will also greatly enhance the service to this community; conversely, the larger size will enable it to be of more service to its correspondent bank depositors.

(d) It is felt that the resulting bank will be able to add in-plant banking service, with the consequent savings in account-

ing costs to the employer, and with the convenience for the employees in their banking needs.

(e) Eventual automation should prove of incalculable value in providing services at less cost to the public, and in speeding up collection time and in other areas beneficial to the economy.

Discuss the past record of the applying banks with respect to their growth, awareness of their responsibilities to their communities, and alertness to provide needed services.

Both banks have been progressive and provide all the customary services offered by banks in this community, including the development of instalment loan departments, check credit, charge account banking, and other services designed to meet the needs of our expanding population.

Both banks have been active in establishing modern and adequate branch facilities in the several large shopping centers developed during this period of expansion. At least [1250] two of the competing banks likewise have provided these facilities to an extent equal to that provided by the participating banks.

Both banks have shown conservative dividend policies over the years, reinvesting earnings in order to grow in strength and service as the community expanded. Both banks have grown, but at a rate which is not commensurate with the financial requirements of the community, which would be more adequately supplied by the proposed consolidation.

Other supporting information relative to the factor of convenience and needs of the community served by the participating banks and to be served by the resulting bank:

We believe that the recent influx of companies into this community bearing such names as I.B.M., Square D, International Harvester, is witness to the trend toward decentralization of the larger companies. We believe that Lexington will be a primary beneficiary of this trend.

In addition to the organizations which have already located here and are in operation, others just moving in or in the planning stage include Varian Associates, Spindletop Research Center, and others the names of which we are not at liberty to disclose. Existing industries which have not yet reached their employment peak, in addition to the foregoing, include Dixie Cup, McKesson and Robbins, Cincinnati Economy Drug, R. J.

Reynolds Tobacco, Kentucky Linen Service, International Paper Corporation, University of Kentucky Medical Center, Square D, and International Harvester. Square D, for example, has just enlarged their plant 50%. Originally envisioning 800 employees, they now have 1,100 or better and plan to hire more. The Spindletop Research Center anticipates hiring 1,000 to 1,200 persons.

With a larger bank and larger capital, it is believed that Lexington can become more important as a financial center for this region, as already it is important as a commercial, medical, shopping, sports, industrial, and educational center. The resulting bank, providing adequate services and attracting a greater portion of the deposits from correspondent banks and receiving larger deposits from national concerns now carrying them in [1251] other financial centers, will be able to contribute materially in maintaining the continued growth and prosperity of our community.

The four competing banks are progressive institutions, efficiently operated by competent personnel. They will not be adversely affected by the proposed consolidation, but, as the community continues to grow, they will continue to participate extensively in such growth and development. To the extent that the proposed consolidation adds to the growth and development of the community, the four competing banks will have every right and opportunity to participate in such growth. Past records show that they are able to keep their proportionate share of the business even though through the years they have competed with a large bank. (See Exhibit (A) for relative position of the banks.)

[1252] *Basis for Proposed Consolidation of First National Bank and Trust Company of Lexington and Security Trust Company*

(Amounts in thousands)

	First National	Security	Combined	Proposed for Resulting Bank
Source of figures	Call report	Call report		
Date	10-3-60	10-3-60		
Total Deposits	$53,175	$15,237		$68,412
Total Loans	32,980	12,343		45,323
Total fixed assets	864			864
Total Resources	59,577	*18,767		*78,344
No. of shares	100,000	40,000		200,000
Par Value per share	12.50	25.00		12.50
Last sale price & date	$64.00 (11/60)	$95.00 (9/60)		
Capital	1,250	1,000	2,250	2,500
Surplus	1,250	1,200	2,450	2,500
Undivided Profits	2,402	772	3,174	2,794
Res. for Contingency	100		100	100
Total	5,002	2,972	7,974	7,894
% of total	62.7%	37.3%	100.0%	
Net Adjustments (schedule attached)	1,174	1,150	2,324	
Estimated fair value of assets, over and above liability to creditors, contributed by each bank	6,176	4,122	10,298	
% of total	60.0%	40.0%	100.0%	
Proposed stock allotment:				
No. of shares	120,000	80,000	200,000	
Agg. par value	$1,500,000	$1,000,000	$2,500,000	
% of total	60.0%	40.0%	100.0%	

Effect of proposed allotment of stock:

	First National			Security		
	Old share	1.2 new shares	Percent change	Old share	2 new shares	Percent change
Fair value contributed	61.76	61.79		103.05	102.98	
Fair value less Goodwill & cash dividend	56.76	58.79	3.6	103.05	97.98	(4.9)
Adj. 1959 net oper. earnings	4.83	4.58	(5.2)	7.01	7.63	8.8
Adj. 5-year average net operating earnings	4.04	3.74	(7.4)	5.49	6.24	13.7

Ratios	First National	Security	Proposed
Capital to deposits	9.4%	19.5%	11.5%
Capital to risk assets	14.0%	21.0%	15.9%

*(Resources adjusted down by $2,000,000 of bills payable, as explained in earlier schedule entitled "Description and Explanation of Adjustments.")

[1253] *First National Bank and Trust Company of Lexington and Security Trust Company—Schedule showing adjustments to book values in determining the estimated fair value of excess assets, over and above liability to creditors, of each bank, in support of the proposed allotment of stock of the consolidated bank to the respective groups of shareholders*

(Amounts in thousands)

	First National	Security	Combined
Additions:			
Reserve for Bad debts	302	153	455
Reserve for Bond Losses	110	171	281
Bond appreciation		143	143
Banking House	781	790	1,571
Commissions on trust estates	50	200	250
Cash surrender value, life insurance	4	44	48
Goodwill, based on record of earnings	420		420
Total Additions	1,677	1,491	3,168
Deductions:			
Taxes applicable to the listed items	336	341	677
Bond depreciation	87		87
Cash dividend to become payable to First National shareholders	80		80
Total Deductions	503	341	844
Net adjustments	1,174	1,150	2,324

[1254] *Effect of Proposed Transaction on Competition*

The following exhibits are attached and made a part of this application:

Exhibit No.	Description
(A)	Schedule showing the total "IPC" deposits, both demand and time, and total loans and discounts of First National, Security, and each other competing bank in this service area; and further, the combined data for First National and Security to compare with other competing banks. Percentages shown in addition to amounts.
(B)	Schedule showing withdrawable balances and loans of savings and loan associations operating offices in this service area.
(C)	Comment concerning the extent and intensity of competition in this service area provided by (a) insurance companies, (b) credit unions, (c) sales finance companies, (d) personal loan companies, (e) factors, (f) direct lending agencies of government, and (g) financial institutions located in financial centers outside such service area.
(D)	Comment concerning the extent to which each of the applying banks has deposit accounts and loan accounts of the same individuals, partnerships, and corporations, and estimate of the aggregate number and dollar amount of such accounts in each bank.
(E)	*Not submitted.* Inasmuch as the service areas of the applying banks are identical, Schedule (D) and Schedule (E) would be identical.
(F)	Loans originated by applying banks which were placed or shared with any other bank or banks.
(G)	Schedule of interest rates and charges of each of the applying banks, and proposed interest rates and charges of the resulting bank, and relationship to such rates and charges of other competing banks and financial institutions.
(H)	Comment concerning trust department activities of the applying banks, and comparison of aggregate holdings, with details.
(I)	Statement regarding whether any director or officer of the applying banks owns five per cent or more of the stock of any bank.
(J)	Statement as to whether the applying banks are affiliated with or have a stock interest in any other bank.
(K)	Comment regarding the over-all affect of the proposed transaction on the competitive situation.
(L)	List of common ownership of the participating banks.
(M)	Community growth and industrial data.
(N)	Copy of General Telephone Company of Kentucky study, entitled "The Lexington Story", dated September 1, 1959.
[1255] (O)	Certified copies of resolutions of boards of directors.
(P)	Copy of proposed "Agreement of Consolidation".
(Q)	Kentucky Statutes Applicable to Consolidations and Branches.
(R)	Map.

[1256] *Exhibit (A)*

Deposits and Loans of Lexington Banks at the Close of Business October 3, 1960*

(Thousands of dollars)

	Demand Deposits IPC	Time Deposits IPC	Total Deposits	Percent of Deposits—All Banks	Loans & Discounts	Percent of Loans—All Banks
First National Bank & Trust Co.	32,412	12,881	53,175	41.04	32,980	39.97
Citizens Union Nat'l Bank & Trust Co.	14,885	5,906	22,291	17.21	13,628	16.51
Security Trust Co.	9,494	5,019	15,237	11.76	12,343	14.95
Bank of Commerce	9,989	5,212	17,627	13.61	12,079	14.64
Second National Bank & Trust Co.	6,192	4,890	11,199	8.64	5,379	6.52
Central Bank	5,405	2,895	10,025	7.74	6,115	7.41
Total	78,367	36,102	129,554	100.0	82,533	100.0

*Except for Central Bank, whose figures are those at the close of business June 15, 1960, the latest date available.

Source: Published legal reports of condition.

Consolidated Reports						
First National Bank & Trust Co. and Security Trust Co.	41,856	17,900	68,412	82.81	45,323	54.92

[1257] The presence of one large bank in Lexington has resulted in neither the exclusive or excessive growth of the big bank, nor the stifling of growth of the smaller banks. Rather, an analysis of deposits held by all banks in Lexington for the ten years ended December 31, 1959, a period of rapid growth, shows that mere bigness was not a significant factor in the growth of the individual banks.

For example, First National Bank & Trust Co. held 40.4% of total bank deposits in Lexington at December 31, 1950. Its deposits dipped to 38.7% of the total at the end of 1953; rose to 45.3% at the end of 1956; and dropped to 41.3% of the total at December 31, 1959. Analysis of earlier periods shows that First National held 50.9% of deposits at December 31, 1945, and 47.1% at December 31, 1935.

On the other hand, the most rapid growth in deposits during the past several years has been shown by Central, the smallest bank. Conversely, a decline in the share of deposits held has been experienced by the second largest bank since it was formed by a merger of Citizens Bank & Trust Co. and Union Bank & Trust Co. in 1954.

[1258]. *Share of Total Deposits Held by Lexington Banks at Year-End Ten Years Ended December 31, 1959*

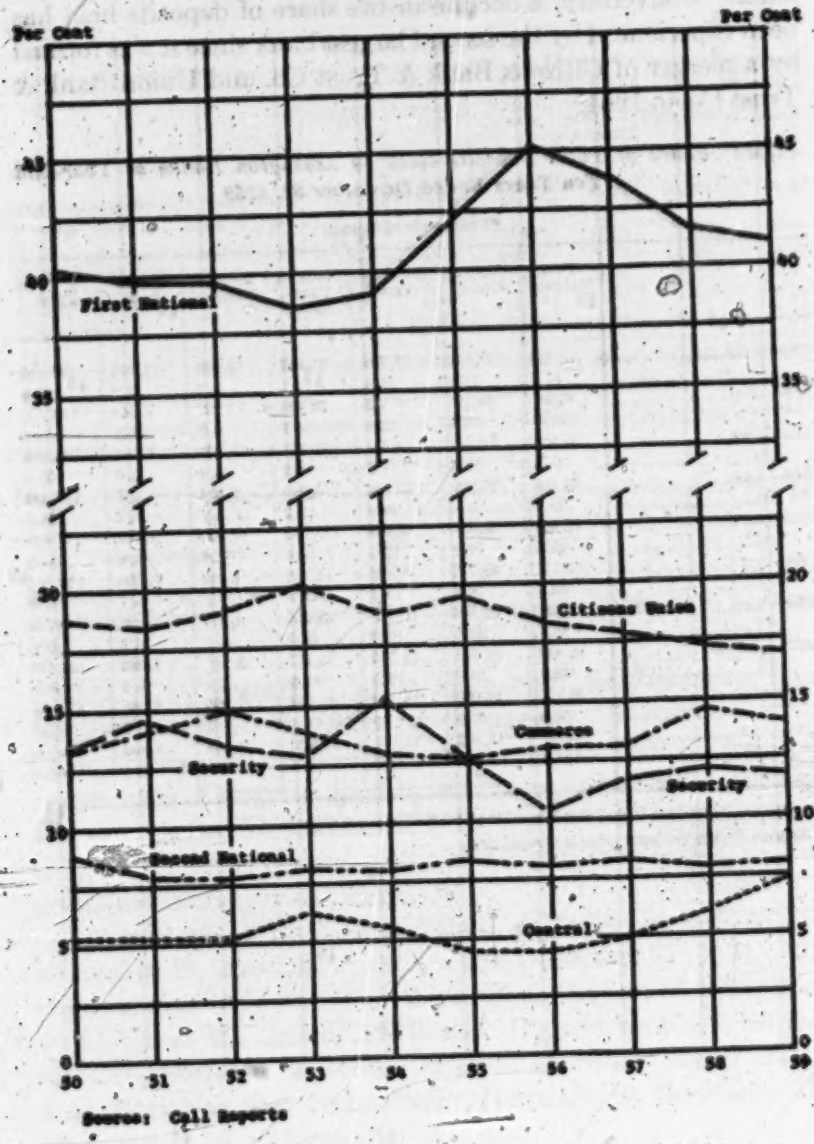
(Thousands of dollars)

	First National	Citizens Union*	Security Trust	Bank of Commerce	Second National	Central Bank	Total
1959—Amt	61,815	25,512	17,734	21,082	12,285	11,374	149,802
%	41.3	17.0	11.8	14.1	8.2	7.6	100.0
1958—Amt	57,847	24,125	16,685	20,434	11,697	8,542	139,700
%	41.8	17.4	12.0	14.7	8.0	6.1	100.0
1957—Amt	57,463	23,347	15,334	17,361	10,975	6,514	130,994
%	43.9	17.8	11.7	13.2	8.4	5.0	100.0
1956—Amt	53,218	21,550	12,174	15,549	9,634	5,257	117,382
%	45.3	18.4	10.4	13.2	8.2	4.5	100.0
1955—Amt	47,404	21,737	13,998	14,092	9,256	5,086	111,573
%	42.4	19.5	12.5	12.6	8.4	4.6	100.0
1954—Amt	43,171	20,776	16,805	14,416	8,859	6,329	110,356
%	39.2	18.8	15.2	13.1	8.0	5.7	100.0
1953—Amt	39,548	20,534	13,170	14,235	8,339	6,428	102,254
%	38.7	20.1	12.9	13.9	8.1	6.3	100.0
1952—Amt	40,439	19,351	13,752	15,211	8,601	5,282	102,636
%	39.7	19.0	13.4	14.9	7.8	5.2	100.0
1951—Amt	40,327	18,608	14,618	14,314	7,995	5,395	101,257
%	39.8	18.4	14.5	14.1	7.9	5.3	100.0
1950—Amt	36,707	17,092	12,011	12,203	7,948	4,839	90,800
%	40.4	18.8	13.2	13.4	8.8	5.4	100.0

*Citizens Bank and Union Bank combined for 1953 and prior years.

Source: Published legal reports of condition.

[1259] *Share of Total Deposits Held by Lexington Banks at Year End Ten Years Ended December 31, 1959*



Source: Call Reports

[1260] *Exhibit (B)*

Share Accounts* and Loans of Savings and Loan Associations in Lexington at the Close of Business June 30, 1960

	Members Share Accounts*	Loans
First Federal Savings and Loan Association of Lexington	15, 950, 813	14, 394, 397
Lexington Federal Savings and Loan Association	14, 648, 993	13, 688, 905
New Union Building Association	3, 264, 000	3, 084, 264
Peoples Savings Fund & Building Association	3, 137, 812	3, 134, 849
Totals	36, 950, 618	34, 302, 765

*Variously, identified as Capital, Paid-up Stock, Members Share Accounts, Dues Credited.

Source: Financial statements published by the associations.

Comment

	(Amounts in thousands)	
	Deposits	Loans
Total savings & loan (from above)	36, 801	34, 303
Total banks (from Exhibit A)	129, 554	82, 533
Grand total	166, 355	116, 836
Combined deposits & loans of the participating banks	69, 312	45, 322
Percent of grand total	41.1%	39.9%

[1261] *Exhibit (C)*

Extent and intensity of competition furnished by:

(a) *Insurance companies.* Lexington has experienced a tremendous increase in both residential and commercial building during the past decade, due primarily to industrialization. The influx of industries mentioned previously in this application have brought in great numbers of new families.

Lexington has eleven mortgage lenders, representing one or more insurance companies each. Some of the more aggressive insurance companies seeking real estate mortgage loans in our area are Prudential, Aetna, John Hancock, Penn Mutual, Western and Southern, and Mutual Life. In addition, several eastern savings banks have been actively seeking mortgage loans in this service area.

Four new subdivisions are planned to open in the spring of 1961, and competition will continue to be very keen. It is our estimate that the total mortgage loans of the two applying banks would not be very large or significant in comparison to total mortgage loans in this area.

(b) *Credit Unions.* These institutions have been increasing in Lexington. Two new ones were added in 1960, bringing the present total to sixteen. Many of these have grown rapidly in the past few years, and all have offered increasing competition in this area. The Lexington Signal Depot Credit Union, Lexington's largest, organized in 1953, has present assets exceeding $1,200,000 and has been paying a dividend of 5%.

(c) *Sales Finance Companies.* In this area, sales finance companies offer very aggressive competition for consumer business. Major companies (such as G.M.A.C., Commercial Credit, C.I.T. Corporation, General Electric Credit Corporation, Associates) have offices locally and compete actively on a large scale. We, of course, have no way of obtaining official figures concerning loans outstanding, but unofficial information indicates, just for comparative purposes, that G.M.A.C. has approximately $11,700,000 outstanding as of the middle of November, C.I.T. about $3,500,000, Associates approximately $2,000,000. Commercial Credit figures were completely unavailable, but it is estimated that this company is somewhere between G.M.A.C. and C.I.T. in size.

These figures, compared with First National and Security totals of $10,708,000 and $1,829,000 respectively, indicate the extent to which competition is very active in the consumer field.

(d) *Personal loan companies.* The Kentucky legislature recently raised the maximum loan limit for the small loan company, effective June 15, 1960, from $300 to $800, enhancing their competitive stature in the consumer field. Our directory lists 30 small loan companies, indicating the extent of competition for the personal loan.

(e) *Factoring companies.* These companies have not yet become aggressive in this area, although some entry into this community is in evidence. At this time, we would say that this is not a competitive factor, although the influx of industry may indicate future competition.

(f) *Direct lending agencies of the government.* The Land Bank and P.C.A. offer keen competition for the farm customer, with both offices here very active. The majority of farmer financial statements which we see indicate indebtedness to these agencies.

(g) *Financial institutions located in financial centers outside this area.* Earlier in this application we have expressed concern regarding our ability to compete with the larger banks in other financial centers for correspondent bank accounts and for larger deposits from the national concerns with branches locally. Mentioned also was our concern about the keen competition from these institutions for trust estates. Under paragraph (a) above we mentioned savings banks from the east competing for mortgage loans.

It is our belief that unless our local banks are able to grow appropriately in size and stature, the competition from other financial centers will continue to increase, with a consequent adverse effect upon the economy of this community.

[1262] *Exhibit (D)*

Comment concerning the extent to which each of the applying banks has deposit accounts and loan accounts of the same individuals, partnerships, and corporations, and estimate of the aggregate number and dollar amount of such accounts in each bank.

Concerning deposit accounts of the same individuals, partnerships, and corporations, it is estimated that the applying banks have 344 common depositors with total combined deposit balances of approximately $6,776,260.82.

Concerning loan accounts, it is estimated that the applying banks have 121 common borrowers with total combined loan balances of approximately $4,591,638.46. It is believed by the management of each of the applying banks that consolidation would be beneficial in allowing better supervision of and service to these common borrowers. It is noted that the list of these borrowers include these importance local customers:

Central Christian Church
Central Kentucky Mortgage Company
Central Kentucky Supply Company
Eastland Park, Inc.
Fayette Enterprises
Foley Realty Company
G. J. Gallivan
General Telephone Company of Kentucky
Good Samaritan Hospital
Kentucky Prestressed Concrete Company
J. L. Nunn
Transylvania University
G. F. Vaughan, Jr.
Fred Wachs
R. B. Wallace
Wilson Machinery & Supply Company

Comparison with total "IPC" deposits and loans of combined institutions:

	(Amounts in thousands)
(1) *Loans:*	
Total combined IPC loans (from Exhibit A)	$45,332
Estimated common borrowings (from above)	4,592
Per cent of total	10.1%
(2) *Deposits:*	
Total combined IPC deposits (from Exhibit A)	$68,412
Estimated common deposit balances (from above)	6,776
Per cent of total	9.9%

[1263] *Exhibit (E)*

[NOTE.—Material called for in this exhibit is identical with Exhibit (D), inasmuch as service areas are the same.]

[1264] *Exhibit (F)*

LOANS ORIGINATED BY APPLYING BANKS WHICH WERE PLACED OR SHARED WITH ANY OTHER BANK OR BANKS, PLUS ADDITIONAL COMMENT REGARDING CUSTOMERS IN SIMILAR SITUATION

FOR FIRST NATIONAL

(1) Keeneland Race Course. In October 1959, we carried $200,000 and Louisville Trust Company took $100,000.

Keeneland has a spring and fall meet and uses the credit line twice each year.

(2) Realty Mortgage Company, Inc., uses our maximum line of $250,000. In addition, in 1959 an additional line of $750,000 was used with the Louisville Trust Company. The Louisville bank has just recently increased the line to $1,000,000.

(3) Wilson Machinery Company, Inc., uses our maximum credit line, and has lines of credit totalling an additional $650,000 with other banks.

(4) Paul Miller Ford, Inc., took its automobile floor-planning to Provident Mutual Bank of Philadelphia because of our inability to extend enough credit line.

(5) Brock-McVey Company, Brock-McVey Refrigeration, Brock-McVey of Frankfort, Brock-McVey Electrical Company, Brock-McVey Company of Maysville, because of their strong financial position are justified in asking for total credit in excess of our $250,000 limit. However, Mr. Dan Brock is a principal owner in each of the companies, and we are allowed to extend a total credit line of $250,000 only to the group.

(6) Begley Drug Company has been extended $175,000 by this bank. Participating also are Central Trust Company of Cincinnati ($175,000), Madison National Bank of Richmond ($50,000), and Citizens National Bank of Danville ($20,000).

(7) Central Kentucky Mortgage Company has been granted our maximum line of $250,000, but other banks are also financing and servicing their credit needs.

(8) Lexington Redryers, Inc., made use of $186,000 of their line here in 1959 and used $252,000 at the same time from a Louisville bank.

(9) Mr. Alex Campbell and companies in which he is interested. On occasion we extend our maximum line to the W. L. Petty Company, in which Mr. Campbell is interested, but we of course are unable to provide all financing needs of the different companies.

(10) Youngco Corporation required a construction loan of $400,000. We carried $200,000 and Fifth Third Union Trust Company of Cincinnati participated for $200,000.

(11) Calvary Baptist Church applied for a mortgage loan in excess of our limit. We agreed to extend our limit and par-

ticipate with another lender, but as yet this loan has not been worked out to the church's satisfaction.

(12) There are borrowers of course who have not at this time requested credit in excess of the limit of $250,000 but who have been extended a line of credit equal to or nearly equal to this limit. Future growth of these businesses may cause additional financial requirements in later years.

(13) We participate also in national credit lines, which is beneficial to us as a depository bank, such as Cowden Manufacturing Company, Universal Leaf Tobacco Company, Kentucky Finance Company, Commercial Credit Corporation, General Motors Corporation, and others.

[1265] (14) It is of note also that large local non-profit institutions have need of credit in excess of our limit, and we are called upon to participate from time to time. Examples which come to mind are St. Joseph Hospital and Central Christian Church.

FOR SECURITY TRUST COMPANY

(1) Lexington Transit Corporation borrowed a total of $250,000 in 1959. One-half of this loan was placed with First National Bank of Louisville because of the size of the loan.

(2) We participated with Bankers Trust Company of New York, in the amount of $70,000, in a loan to General Telephone Company of Kentucky.

(3) Fayette Investment Company. We placed $100,000 of rediscounted paper with the First National Bank of Louisville. At the time, we had a total of $509,800. The purpose of the placement was to better balance our loan portfolio.

[1266] *Exhibit (G)*

Schedule of interest rates and charges of applying banks, proposed interest rates and charges of resulting bank, and relationship to such rates and charges of other competing banks and financial institutions

	First National	Security	Proposed for Resulting Bank
(1) Commercial Loans:			
a. Unsecured:			
Prime customers	5%	5½%	5%
Other	5½-6	6	5½-6
b. Collateralled:			
Depending upon collateral	5-6	5½-6	5-6
c. Mortgage loans:			
Construction	6	6	6
General residential loans	6	6	6
Preferred customer	5½	5½	5½
d. Appraisal fee:			
Construction loans	½ of 1%	1%	½ of 1%
Other loans	none	none	none
e. Minimum interest charge	$3.00	$2.50	$3.00
(2) Instalment Loans:			
a. New cars	6%	5½%	6%
b. Used cars	6	6	6
c. Personal	6	6	6
d. Wholesale (floor planning):			
New cars	5	5½	5
Used cars	6	6	6
e. Minimum interest charge:			
Personal loans	$5.00	$10.00	$5.00
Other loans	$10.00	$10.00	$10.00

(3) CHECKING ACCOUNT SERVICE CHARGES

Five of the Lexington banks, including First National and Security, charge service charges on checking accounts which are competitive and similar. Charges range from a $1.00 maintenance cost for balances below $100 with five free checks, to no maintenance cost for accounts with balances in excess of $300 with credits for each $100 additional balance in the way of free checks. All the five banks' service charges are, in our opinion, reasonable and there is little deviation in charges between the five banks because of the intense competition for accounts. The sixth bank, Central Bank, which is also the smallest, usually does not charge any service charges to its checking account customers.

The resulting bank would of course continue to charge in the same manner that the two applying banks are presently,

since competition will continue to be active among the banks for checking account business.

Inasmuch as competition is intense in all areas, both participating banks have maintained rates and charges in keeping with other banks and other financial institutions.

As indicated in this application, there will continue to be competitive solicitation for business by the resulting bank with consequent competitive rates, since competition will be no less intense by reason of the consolidation.

[1267] *Exhibit (H)*

TRUST DEPARTMENT ACTIVITIES

The total assets in Security Trust Company's trust department as of November 15, 1960 were $34,465,744.67. At the same time First National Bank and Trust Company had a total of $28,033,561.23, or a total for the combined institutions of $62,499,305.90. A detailed breakdown of these totals is shown on the attached schedule.

The values shown are all substantially as of income tax cost basis, except for First National's estates under administration in which bonds are carried at par, stocks at $1.00 per share, real estate at $1.00 per parcel, or $1.00 per acre in the case of farm land.

Both banks operate a farm management division, Security Trust having 28 farms under management with a total of 4,757 acres and First National having 28 farms under management with a total of 11,542 acres.

For the period October 8, 1959 to November 16, 1960, it is noted that of a total of 577 wills probated, local banks qualified in 33.

Of the individual qualifications during the period covered, only 70 individuals have filed inventories and we have no accurate way of knowing the extent of the estates covered by the remaining wills.

Other information covering the period examined is as follows:

	First National	Security	Second National	Citizens Union	Commerce
Bank qualifications	10	13	2	8	1
Bank inventories filed	6	13	2	2	
	$1,843,612	$998,032	$226,982	$13,901	
Inventories filed for estates in which individuals qualified			70		
Total of will probated during period			$1,456,791		
			577		

[1268] SCHEDULE OF TRUST DEPARTMENT HOLDINGS

[Amounts in thousands]

	First National		Security		Combined	
	No.	Amount	No.	Amount	No.	Amount
Administration	29	$2,774	29	$2,803	58	$5,577
Testamentary trusts	122	11,281	259	14,690	381	25,971
Committee*	10	528	14	170	24	698
Guardian*	15	195			15	195
Voluntary trusts	112	16,850	305	7,994	417	18,844
Custody, W.I.S.	20	1,325	106	5,777	126	7,103
Agency or safekeeping	24	736	5	1,429	29	2,165
Escrow	13	222			13	222
Bond or debenture issues	5	15	10	1,602	15	1,617
Paying agency	16	97	6		22	97
Transfer agency	2		6		8	
	(278,030 shares)		(1,484,287 shares)			
Registrar	5		5		10	
	(784,000 shares)		(1,116,125 shares)			
Totals	373	$33,034	745	$34,466	1,118	$67,499
	No.	Acres	No.	Acres	No.	Acres
Farms in trust or held for management	28	11,542	28	4,757	56	16,299

*Combined under Committee for Security Trust.

[1269] *Exhibit (I)*

This is to certify that no director or officer of First National Bank and Trust Company of Lexington and no director or officer of Security Trust Company owns five per cent or more of the stock of any bank; and further, that no pension or profit

sharing trust established or administered by either bank owns five per cent or more of the stock of any bank.

[1270] *Exhibit (J)*

This is to certify that neither First National Bank and Trust Company of Lexington nor Security Trust Company is affiliated with nor has a stock interest in any other bank, the stock of which is owned by a bank holding company as defined in the Bank Holding Company Act of 1956.

[1271] *Exhibit (K)*

COMMENT REGARDING THE OVER-ALL EFFECT OF THE PROPOSED TRANSACTION ON THE COMPETITIVE SITUATION

As stated in other sections of this application, it is believed by the applicants that the proposed transaction will not lessen competitive pressures in any of the areas of service. It is believed that the only area in which the consolidation will strengthen competitive ability to any extent is in the area of competition with other financial centers for the deposits of correspondent banks and of national concerns who do not carry large deposits in this community now. This, of course, will not hurt any of the local competing banks.

In Exhibit (A), it was also pointed out that the size of First National Bank over the years has not resulted in the exclusive or excessive growth of First National nor has it stifled the growth of the smaller banks. The competing Lexington banks, all of them with very aggressive and progressive management, will not be adversely affected by the proposed transaction. It is not anticipated that any of their present depositors will leave them and come to the resulting bank, and they certainly should continue to attract their share of the banking business of this community.

It is in the area of regional and national competition that it is felt the resulting bank will be strengthened and will be able to compete actively with, especially, such financial centers as Louisville, Cincinnati, Knoxville, and Huntington. It is felt

that Lexington is more strategically located, and can compete actively, if this consolidation is approved.

Since the participating banks are competing in a number of different services, it perhaps would be well to summarize the effect of the proposed transaction by mentioning each area of service:

(a) Convenience of location. As shown on the attached map, and as indicated in the listing of branch locations, there would be no lessening of convenience of choice for the public by reason of this transaction.

(b) There would remain a wide choice of banks available, as well as branch convenience.

[1272] (c) There would remain, in addition to the competing banks, adequate competition for deposits from savings and loan associations and credit unions, as shown in other exhibits.

(d) There would remain adequate resources available for competition in lending, as indicated in the exhibits regarding banks and other financial institutions.

(e) Ample competition is available in consumer lending, especially from the sales finance companies and personal loan companies (in addition to banks), as shown in Exhibit (C).

(f) There is more than adequate competition for mortgage loans, since other institutions overshadow the banks in this area of competition.

(g) In the area of trust department competition, the material in Exhibit (H) illustrates the competition, and we believe emphasizes the need for the participating banks to become more competitive in this field.

(h) In correspondent banking, of course, our competition lies with banks from other larger financial centers, and we feel a need to strengthen our competitive ability for these deposits for the benefit of the community.

The general over-all effect of this proposed transaction will, we believe, be beneficial to all our competitors locally, inasmuch as strengthening our ability to attract more resources to this community will inevitably lead to further expansion and consequently more business for all the financial institutions located here.

712-306—63——63

It is firmly believed that this community is destined to become a more important center in this region. Lexington has already dislodged the city of Covington as second biggest city of the commonwealth, and the growth rate is far superior to that of any of the region's communities.

And it is also firmly felt that development as a financial center is extremely important as part of the envisioned economic growth.

[1273]

Exhibit (L)

List of Common Ownership of Participating Banks

Name	1st Nat'l Shares	Security Shares
1. Miss Kathry Walsh Adams	55	20
2. Mrs. Caroline S. Bagby	10	57
3. Donald J. Barker	327	180
4. Miss Roberta Barkley	20	17
5. Mrs. Roberta J. Barkley	68	183
6. J. C. Beatty	95	54
7. Miss Ora B. Beatty	45	20
8. Miss Sallie A. Beatty	45	20
9. William H. Beck, etc	5	20
10. Mrs. Jane Graves Blackford	20	25
11. Ernest C. Boyd	102	232
12. Mrs. Mary M. Boyd	100	250
13. Dugas L. Boyle	100	9
14. Mrs. Minnie P. Bullock	215	63
15. Mrs. Sue P. Carpenter	220	345
16. Mrs. Anna Pearce Carrick	800	74
17. John L. Carter	45	57
18. William H. Cecil	35	17
19. Albert B. Chandler	1,000	100
20. Albert B. Chandler, Jr	90	17
21. Citizens Fidelity Bank & Trust Co., Louisville, Ky	378	206
22. Clifton Coons	40	16
23. Leonard O. Cox, Jr	226	620
24. E. C. Davis	10	84
25. Mrs. Mary Woodson Dudley	160	240
26. Nathan Elliott, Jr	55	10
27. James S. Frankel	550	80
28. Mrs. Elizabeth H. H. Garr	40	80
29. Mrs. Florence B. Giovannoli	10	80
30. N. Warfield Gratz, Trustee Cary Odgen Gratz	80	20
31. Hughes M. Hamilton	35	84
32. Mrs. Grace T. Harvey	15	12
33. L. E. Hillenmeyer	25	200
34. Mrs. Clara Walton Hughes	1,610	105
35. W. M. Ingram	300	45
36. George C. or Lena S. Iritz	25	244
37. Jenkins & Co	85	21
38. David H. Johnston	115	30
39. Mrs. Elizabeth C. Kavanaugh	55	139

List of Common Ownership of Participating Banks—Continued

Name	1st Nat'l Shares	Security Shares
40. Mrs. Juliette D. Kendall	40	88
41. John G. King, Jr.	40	17
42. Charles Landrum, Jr.	70	20
43. Augustus P. Loring III etc.	180	28
44. Mrs. Margaret Wilson McClung	140	67
45. John Flood Matheson	31	23
46. Merrill Lynch, Pierce, Fenner & Smith, Inc.	15	141
47. Harry B. Miller, Guardian	1,425	370
48. W. Emmet Milward	25	800
49. Mrs. Mary S. Newman	800	145
50. Miss Mary Stuart Newman	20	40
51. Jane Scott Offutt	105	40
52. Edward C. O'Rear	30	97
53. Alfred O. Powell	300	200
[1274]		
54. Properties, Inc.	25	5
55. Arthur B. Rouse, Jr.	475	30
56. Mrs. Minnie E. Rouse	245	100
57. Claude O. Sumner	55	70
58. Mrs. Anna W. Shropshire	45	40
59. Mrs. Lillie W. Shropshire	50	34
60. J. Soule Smith	50	87
61. W. T. Smith	100	222
62. Fred O. Stils	5	9
63. Mrs. Talitha C. Stoll	180	249
64. Harry L. R. Strauss, Jr.	65	10
65. Grover C. Thompson	180	40
66. Mrs. Sarah C. Thompson	115	229
67. Fred W. Tuthill	15	12
68. Fred B. Wache	140	229
69. Mrs. Lucy F. Welch	30	30
70. A. J. Whitehouse	400	50
71. E. Reed Wilson	90	100
72. Frank F. Worthington	42	120
73. William N. Worthington	42	120
Sub-Total	11,521	7,709
74. Trust Dept.—First National Bank & Trust Company	8,210	812
75. Trust Dept.—Security Trust Co.	9,060	14,203
Total	28,791	22,724
Total Shares Outstanding	100,000	40,000
Total Shareholders	639	382

[1275] *Exhibit (M)*

*1950–60 Comparison: U.S. Census (Preliminary, 1960)

	1950	1960	Percent Increase 1950–1960
Population:			
Lexington	55,534	62,396	12.3%
Fayette County	100,746	126,722	25.7%
Housing Units:			
Lexington	14,978	21,263	32.0%
Fayette County	(1960 census figures not yet available)		

	1954	1958
Retail Trade:		
Lexington and Fayette County:		
Total Number of Establishments	1,080	1,138
Total Payroll	$14,726,000	$20,363,000
Total Sales	120,508,000	170,427,000
Selected Services:		
Lexington and Fayette County:		
Total Number of Establishments	511	711
Total Payroll	$5,899,000	$9,121,000
Total Sales	10,671,000	23,540,000
Wholesale Trade:		
Lexington and Fayette County:		
Total Number of Establishments	207	227
Total Payroll	$6,696,000	$10,560,000
Total Sales	203,434,000	211,672,000
Manufacturing:		
Lexington and Fayette County:		
Total Number of Establishments	104	127
Total Number of Employees	4,317	7,700
Total Payroll	$13,156,000	$35,767,000
Value Added by Manufacture	26,472,000	60,277,000
Capital Expenditures	2,151,000	14,500,000

*Source: Lexington Chamber of Commerce, Ed Wilder, Secretary.

[1276] *Estimated Non-Agricultural Employment in Fayette County[1] September 1960*

Industry	Sept. 1960	August 1960	Sept. 1959	Percent Change to Sept. 1960 from: August 1960	Sept. 1959
Total Nonagricultural Employment	41,100	41,350R	40,800	−0.6	+0.7
Manufacturing—Total	8,650	8,450R	9,050	+2.4	−4.4
Food and kindred products	1,150	1,150	1,350	0.0	−14.8
Tobacco	800	700R	1,150	+14.3	−30.4
Apparel	250	250	250	0.0	0.0
Printing	600	550	600	+9.1	0.0
Metals and Machinery	5,150	5,050	5,100	+2.0	+1.0
Other manufacturing	700	750	600	−6.6	+16.7
Nonmanufacturing—Total	32,450	32,900	31,750	−1.4	+2.2
Construction	2,500	2,850	2,000	−12.3	+25.0
Transp., comm., & util.	2,350	2,350	2,550	0.0	−7.8
Trade (Wholesale & retail)	10,050	10,050	9,100	0.0	+10.4
Finance, ins., & real estate	1,450	1,450	1,600	0.0	−9.4
Service	7,000	7,150	7,200	−2.1	−2.8
Government	8,700	8,650	8,900	+0.6	−2.2
Other manufacturing	400	400	400	0.0	0.0

[1] Excludes self-employed, domestics, and unpaid family workers. Figures have been rounded to nearest 50. Totals may not exactly agree with the sum of individual items due to rounding.
[2] R—Revised.

Employment (Non Agricultural)		*Employment (Industrial)*	
December, 1954	33,612	December, 1954	6,682
December, 1955	35,920	December, 1955	7,141
December, 1956	42,050	December, 1956	7,200
December, 1957	43,950	December, 1957	7,900
December, 1958	43,150	December, 1958	9,650
December, 1959	43,900	December, 1959	10,700

Source: Ky. Employment Security Office.

Manufacturers and Processors in Lexington, Kentucky

No. of Employees*			
80-M, 10-F	American Suppliers, Inc.	Tobacco Processors	874 S. Upper
15-M, 25-F	Archer & Smith, Inc.	Cutting Tools	121 N. Eastern Ave.
15-M, 1-F	Berry Corp.	Bakers, Markers, Spreaders.	Stone Road
100-M, 3-F	Big Run Coal & Clay Co.	Brick	Stone Road
122-M, 116-F	Brown & Williamson Tobacco Co.	Tobacco Processors	1028 S. Broadway
8-M	Burley Belt Plant Food Works.	Fertilizer	Cleveland Pike
	Central Rock Co.	Limestone Products	Old Frankfort Pike
9-M, 1-F	Cloud Concrete Products Co.	Concrete Products	1413 Versailles Rd.
	Cowden Mfg. Co. (Home Office).	Work Clothes	Radio Bldg.
6-M, 1-F	Dixie Concrete Products.	Cast Stone	1440 Delaware Ave.
	Dixie Cup	Individual Drinking Cups	Harbison Rd.
2264-M, 321-F	I.B.M. Corp.	Electric Typewriters	New Circle Rd.
60-M, 300-F	Irving Air Chute Co.	Parachutes & Webbing	Versailles Rd.
Total—137	Ky. Glass Works—G.E.	Light Bulbs	Russell Cave Pike
	Ky. Independent Packing Co.	Meat Packing	Old Frankfort Pike
13-M, 1-F	Ky. Paint Mfg. Co.	Paint	943 E. Main
2-M, 1-F	Lexington Casket & Mfg. Co.	Caskets	737 Price Road
22-M, 1-F	Lexington Concrete Products.	Concrete Products	Old Frankfort Pike
105-M, 255-F	Lexington Lamp Plant—G.E.	Sealed Beam Headlights	201 Rosemont
80-M, 10-F	Lexington Roller Mills	Flour, Meal, & Feeds	133 S. Broadway
13-M, 7-F	Lexington Tent & Awning Co.	Canvas Goods, Ven. Blinds.	414 W. Short
65-M, 30-F	Liggett & Myers Tobacco Co.	Tobacco Processors	Bolivar St.
170-M, 90-F	P. Lorillard & Co.	Tobacco Processors	1020 W. Main
23-M, 2-F	Marathon Industries, Inc	Contract Mfg.	Newtown Pike
9-M, 1-F	Marco Products	Plumbers' Tools	6th & Henry
12-M	McKenny Meat Co.	Meat Packers	Wilson-Downing Rd.
45-M, 3-F	Mengel Co.	Corrugated Boxes	Mengel Road
Not Listed	Meyer Brothers	Riding Apparel	840 W. Main
8-M, 3-F	Miller Casket Co.	Caskets	741 Price Avenue
30-M, 2-F	Moore Corp.	Steel Boats, Flooring—Dryers.	New Circle Rd.
Total—60	Nic Nac Foods	Potato Chips	Midland Ave.
	Nytronics	Television & Radio	Fairman Rd.
	Pare Mfg. Co.	Dresses	502 W. Main
	Parker Seal Co.	Compression Seals	817 E. Third
	James E. Pepper Distillery.	Whiskey	Old Frankfort Pike

[1278]

145-M, 90-F	Procter & Gamble Co.	Peanut Products	767 E. Third
31-M, 4-F	Quality Packing Co.	Meat Packers	Parkers Mill Rd.
131-M, 16-F	Rainbo Baking Co.	Baked Goods	6th & Jefferson
7-M, 3-F	Red Comb Pioneer Mills.	Feeds	335 Henry St.
269-M, 115-F	R. J. Reynolds Tobacco Co.	Tobacco Processors	Reynolds Road
66-M, 9-F	Robb Packing Co.	Meat Packers	Leestown Road
3-M, 10-F	Russell Mfg. Co.	Advertising Novelties	960 Liberty Road

8-M, 1-F	Semicon, Inc.	Cathodes & Tungsten Products.	Lisle Road
10-M, 2-F	Southern Bedding Co.	Bedding, Upholstering	W. Main & Broadway
3-M, 4-F	Southern Tent & Awning Co.	Awnings, Tents, etc.	530 E. Third
9-M, 30-F	Spotswood Specialty Co.	Advertising Novelties	312 Jefferson
	Square D Co.	Electrical Equipment	Mercer Road
62-M, 68-F	Standard Products Co.	Metal Stampings	Henry Clay Blvd.
19-M, 2-F	Star Tool & Dye Co.	Tools & Dyes	226 Walnut St.
9-M, 2-F	Swift & Co.	Butter	115 Shreve Ave.
14-M, 9-F	Tobacco States Chemical Co.	Insecticides & Fungicides	Trafton St.
62-M, 8-F	Vogue-Rattan Mfg. Co.	Rattan Furniture	Fairman Road
68-M, 16-F	Wesson Metal Corp.	Tungsten Carbide Metals	Lisle Road
	A. D. Woods, Jr.	Sausage	926 Liberty Road
15-M, 2-F	Woolcott Flour Mills	Flour, Meal & Feed	365 Blackburn Ave.

*M—Male; F—Female.

Source: Chamber of Commerce.

[1279] CENTRAL KENTUCKY MANUFACTURERS

Berea—Madison County, Population (1960) 33,615 (1950) 31,179.

Berea Rubber Company, Empl. 160–M., 175–F. (Rings and other precision rubber parts, rubber compounds for molding.)

Churchill Weavers, Inc., Empl. 7–M., 60–F. (Woven baby blankets, stoles and scarves, men's ties, couch throws, blankets.)

Carlisle—Nicholas County, Population (1960) 6,653 (1950) 7,532.

Giffin Manufacturing Company, Inc., Empl. 15–M., 133–F. (Men's woven undershorts.)

Cynthiana—Harrison County, Population (1960) 13,631 (1950) 13,736.

Calvert Distilling Company, Empl. 30–M., 0–F. (Bourbon Whisky.)

Cavu Sportswear, Inc., Empl. 0–M., 35–F. (Ladies' shorts, Bermuda Shorts, blouses, Skirts.)

Cynthiana Mills, Inc., Empl. 5–M., 120–F. (Men's Shorts.)

Kawneer Company, Empl. 300–M., 11–F. (Aluminum stamping and finishing for appliance and automotive industries.)

Danville—Boyle County, Population (1960) 20,990 (1950) 20,532.

Corning Glass Works, Empl. 200–M., 150–F. (Incandescent bulbs, tubing.)

Genesco, Empl. 30–M., 120–F. (Ladies' and girls' shoes.)

Jackson Chair Company, Inc., Empl. 60–M., 40–F. (Upholstered living room chairs.)

Palm Beach Company, Empl. 11–M., 6–F. (Men's Coats.)

Prall Chairs, Empl. 40–M., 18–F. (Upholstered Chairs, sofa beds, maple furniture.)

Sellers Engineering Company, Empl. 30–M., 1–F. (Hot water heaters, steam boilers.)

Frankfort—Franklin County, Population (1960) 29,228 (1950) 25,933.

Brown-Forman Distillers Corp., Empl. 12–M., 1–F. (Whisky, distillers' dried grain.)

Central Screw Company, Empl. 40–M., 3–F. (Screws, nuts.)

Genesco, Empl. 100–M., 185–F. (Ladies' Shoes.).

Ker-Wel, Inc., Empl. 20–M., 150–F. (Ignition transformers, phonograph cartridges and pickups, stereo preamps, amplifiers.)

National Distillers Products Company, Empl. 550–M., 250–F. (Bourbon whisky, dried grains.)

H. K. Porter Company, Empl. 67–M., 61–F. (Automobile trim.)

Schenley Distillers, Inc., Empl. 436–M., 351–F. (Distilled Spirits.)

Brands Distillers Corp., Empl. 45–M., 36–F. (Whisky.)

Union Underwear Company, Inc., Empl. 75–M., 375–F. (Men's and boys' underwear.)

Georgetown—Scott County, Population (1960) 15,184 (1950) 15,141.

American Dye Casting Company, Empl. . . . (Nonferrous dye castings.)

Blue Ribbon Pen and Pencil Company, Empl. 5–M., 10–F. (Imprinting pencils.)

Carbide Products, Inc., Empl. 25–M., 11–F. (Special carbide high speed and alloy cutting tools and wear parts.)

Electric Parts Corp., Empl. 140–M., 260–F. (Electric blankets and other bed coverings, wire and wire assemblies, cable and cable assemblies, thermostatic controls.)

Mallard Pencil Company, Inc., Empl. Total of 60. (Lead pencils, ball pens.)

Harrodsburg—Mercer County, Population (1960) 14,635 (1950) 14,643.

Corning Glass Works, Empl. 210–M., 110–F. (Unfinished optical and ophthalmic glass; radiation shielding windows, cover slides and sheet glass.)

Cricketter, Inc., Empl. 20–M., 350–F. (Men's sport and suit coats.)

Cudahy Packing Company, Empl. 50–M., 17–F. (Cheese, butter, ice cream.)

[1280] Harrodsburg Souvenir Company, Empl. 6–M., 0–F. Wood souvenirs, turnings and plaques, Cherry, homemaker stools.)

Irvine—Estill County, Population (1960) 12,401 (1950) 14,677.

Hamilton Carhartt Overall Company, Empl. 29–M., 171–F. (Work Clothing.)

Lancaster—Garrad County, Population (1960) 9,684 (1950) 11,029.

Cowden Manufacturing Company, Empl. 68–M., 450–F. (Men's overalls and jackets.)

Lawrenceburg—Anderson County, Population (1960) 8,577 (1950) 8,984.

J. T. S. Brown's Son, Empl. 82–M., 35–F. (Whisky.)

The Calvert Distilling Company, Empl. Not Listed. (Distilled spirits.)

Hoffman Distilling Company, Empl. 22–M., 22–F. (Whisky.)

Universal Button Company, Empl. Not listed. (Metal buttons, snap fasteners, rivets, burrs; button and fastener attaching equipment.)

Midway—Woodford County, Population (1960) 11,656 (1950) 11,212.

Barrett Midway, Inc., Empl. 10–M., 160–F. (Ladies' cotton blouses and dresses.)

Schenley Distillers, Inc., Empl. 29–M., 1–F. (Distilled spirits.)

Mt. Sterling—Montgomery County, Population (1960) 13,369 (1950) 13,025.

Armour and Company, Empl. 25–M., 60–F. (Poultry processing.)

Cowden Manufacturing Company, Empl. 53–M., 288–F. (Men's dungarees, service suits and coats.)

The Enoch Manufacturing Company, Empl. 5–M., 28–F. (Canton flannel and jersey work gloves.)

Giffin Sportswear, Inc., Empl. 14–M., 126–F. (Children's play shorts, sanitary belts, supports.)

Nicholasville—Jessamine County, Population (1960) 13,434 (1950) 12,458.

Canada Dry Distilling Company, Empl. 48–M., 16–F. (Whisky.)

Irving Air Chute Company, Empl. 40–M., 1–F. (Vinyl coated air supported buildings; nylon geodesic domes, tarpaulins and athletic field covers.)

Paris—Bourbon County, Population (1960) 17,904 (1950) 17,753.

Detroit Harvester Company, Empl. 150–M., 12–F. (Machined Automotive parts, coolant pumps for machine tools, gear boxes, truck power take-offs.)

Electric Steam Radiator Corp., Empl. 85–M., 55–F. (Fry pans, vaporizers, radiators; molded plastics for electric appliances.)

Hansley Mills, Inc., Empl. 35–M., 340–F. (Men's and boys' underwear shorts, children's play shorts.)

Richmond—Madison County, Population (1960) 33,615 (1950) 31,179.

Westinghouse Electric Corp., Empl. 90–M., 260–F. (Miniature and photo lamps.)

Stanford—Lincoln County, Population (1960) 16,701 (1950) 18,668.

Cowden Manufacturing Company, Empl. Not listed. (Ladies', girls', men's and boys' dungarees.)

[1281] Versailles—Woodford County, Population (1960) 11,656 (1950) 11,212.

Barrett and Son, Empl. 1–M., 43–F. (Bluoses.)

International Paper Company, Empl. Total 50. (Milk cartons.)

Texas Instruments, Inc., Empl. 68–M., 202–F. (Thermostats, motor protectors, starting relays.)

Wilmore—Jessamine County, Population (1960) 13,434 (1950) 12,458.

Barrett Midway, Inc., Empl. Not listed. (Cotton Blouses and shorts.)

Winchester—Clark County, Population (1960) 20,951 (1950) 18,898.

Bundy Tubing Company, Empl. 237–M., 6–F. (Steel gas and brake lines for autos, condenser coils for refrigerators; Misc. tubing for refrigerators, stoves and lamps.)

Curlee Clothing Company, Empl. 18–M., 234–F. (Men's suits and coats.)

Leggett and Platt, Inc., Empl. 90–M., 0–F. (Bedsprings, box spring constructions, iron bed frames and rails, innerspring units.)

Loma Manufacturing Company, Empl. 4–M., 234–F. (Shirts, blouses, skirts.)

Sylvania Electric Products, Empl. 124–M., 231–F. (Projection and photoflash lamps.)

Source: Chamber of Commerce.

[1282] JULY 27, 1960.

*Population of Lexington, Kentucky Retail Trade Territory**

	1960	1950	1940	1930
Fayette (Lexington)	130,132	100,746	78,909	68,343
Scott	15,184	15,141	14,334	14,400
Bourbon	17,964	17,798	17,932	18,060
Clark	20,951	18,898	17,988	17,640
Madison	35,615	31,179	29,341	27,621
Jessamine	13,434	12,458	12,174	12,431
Woodford	11,656	11,392	11,947	10,981
Franklin	30,228	25,983	23,808	21,064
Harrison	13,631	13,736	13,121	14,859
Nicholas	6,653	7,532	8,617	8,571
Montgomery	13,369	13,052	12,280	11,660
Bath	9,088	10,410	11,451	11,075
Fleming			13,327	12,931
Menifee	4,243	4,796	5,691	4,958
Powell	5,749	6,812	7,671	5,800
Estill	12,401	14,577	17,978	17,079
Jackson	10,969	13,101	16,339	10,467
Rockcastle	12,291	13,953	17,166	15,149
Garrad	9,684	11,029	11,910	11,363
Lincoln	16,701	18,088	19,589	17,687
Mercer	14,533	14,643	14,629	14,471
Boyle	20,900	20,532	17,073	16,282
Anderson	8,377	8,964	8,936	8,494
Total	430,662	403,245	403,055	371,783

*Source: Chamber of Commerce.

[1283] *Exhibit (N)*

THE LEXINGTON STORY*

SEPTEMBER 1, 1959.

Lexington has grown every census decade since it was founded back in the 18th Century about 180 years ago. Since World War II, the growth has been very rapid. "Greater Lexington" (the incorporated city and its suburbs) had a population of 85,250 at the last U.S. Census on April 1, 1950. The estimated population 9 years later on April 1, 1959, is 121,500, an increase of 42.5%.

All Fayette County, designated as the Lexington Metropolitan Area by the U.S. Census, had an estimated population of about 137,000 on April 1, 1959 and during the same 9 years

*General Telephone Company of Kentucky, Lexington, Kentucky, may be quoted with proper recognition.

grew about 36%. During this 9 year period: Fayette County has registered 13,689 more births than deaths; the net migration into the county has been about 22,500; permits have been issued for the construction of 10,594 new dwelling units; children of school age have increased 9,092 or 61%; and telephone in service increased 102%. Most other items pertaining to the area's growth statistics increased in similar proportions.

The population increase of the Lexington Metropolitan Area has averaged about 3.5% compounded annually since the 1950 Census, which rate is about twice that for the national average. There are many obvious reasons why Lexington should keep growing indefinitely. It appears destined to grow into a large city. Lexington has about all of the resources which give impetus to the economy and growth of a community except water transportation. Some of the outstanding reasons for continued growth in the Lexington Metropolitan Area are:

(1) Lexington is the business and cultural center of the eastern half of the State and has a favorable position with reference to raw materials, transportation facilities and markets. Two of the interstate highways, one north-south and one east-west, in the national super-highway system under construction will intersect at Lexington.

(2) It is the medical service center of the State with two large federal hospitals and one large state hospital, three private general hospitals, the Lexington Clinic, the Medical Center and a large number of outstanding specialist physicians and surgeons. A new medical school costing $26 million is under construction at the University of Kentucky.

(3) It is the education center of the State with the University, Transylvania College, the College of the Bible, and several smaller educational and training institutions. It is estimated there will be about 20,000 students knocking at our doors by 1975.

(4) It is the leading agricultural center of the State with the College of Agriculture and outstanding in livestock, standardbred and thoroughbred horses and the marketing and processing of tobacco.

(5) It is an important center of governmental activities and institutions.

(6) It is the State's leading center for conventions, recreation, sports, and sightseeing with highways leading in all directions to the state and federal parks and places of scenic beauty.

[1284] (7) The full effects of the industrial developments of 1956–1957 have not been felt. This expansion has attracted national attention to the economic advantages and potentialities of this area.

(8) Lexington has a moderate climate and has never had a natural disaster such as caused by earthquakes, floods, or storms.

The nation's expert demographers did not foresee the population explosion which we are experiencing currently. With the national births averaging 4,000,000 annually since 1939, we can expect large increases in marriages and household formations when these babies reach marriageable age and extending through 20 years at least. We do not know what Lexington's future populations will be—a lot depends upon how well we as a community prepare to handle large increases in population. The General Telephone Company of Kentucky is preparing to provide telephone service for future populations as indicated in the tabulation below:

Estimated Population and Telephone Growth, Lexington Metropolitan Area

Item	Actual 5-1-59	Estimated at End of Year				
		1960	1965	1970	1975	1980
Population	137,000	148,000	165,000	193,000	225,000	254,000
Households	37,519	40,100	45,400	53,400	61,900	70,900
Total Company Telephones	51,117	58,200	70,600	91,100	114,800	142,400

General Telphone Company of Kentucky, Lexington, Kentucky, may be quoted with proper recognition.

[1285] *Exhibit O*

WHEREAS, the Boards of Directors of First National Bank and Trust Company of Lexington, a National Banking Association organized under the laws of the United States, and Security Trust Company, a State Bank organized under the laws of the State of Kentucky, have approved a plan of consolidation of the two banks pursuant to the provisions of Title 12, U.S. Code, Section 215, and KRS 287.173, the resulting bank pursuant to the consolidation to be a National Bank under the Charter of First National as amended and to be known as "First Security National Bank and Trust Company of Lexington"; and

WHEREAS, under applicable law, application for approval to consolidate must be executed and filed with the Comptroller of the Currency upon Form No. 1931 (Revised July, 1960) furnished by the Office of the Comptroller of the Currency and the approval of the Comptroller must be obtained before consolidation of the two banks can be effected; and

WHEREAS, First National and Security have prepared a joint application for approval to consolidate, which with attached exhibits, schedules and supplementary documents has been presented to and considered by the Board of Directors of First National and Security;

BE IT THEREFORE RESOLVED that E. S. Dabney, President, be and he is hereby authorized for and on behalf of Security Trust Company to execute, jointly with First National Bank and Trust Company of Lexington, an application for approval to consolidate First National Bank and Trust Company of Lexington and Security Trust Company in such number of counterparts as may be required and to deliver the same, together with accompanying exhibits, schedules and supplementary documents, to the Comptroller of the Currency in Washington, D.C.

I, Harry B. Glass, Secretary of Security Trust Company, do hereby certify that the foregoing is a true, accurate and correct copy of a resolution adopted by the Board of Directors of Security Trust Company at a special meeting of the Board held at the office of the company on Monday, November 28,

1960, which meeting was called and held in accordance with the by-laws of Security Trust Company and at which meeting a quorum of the Board of Directors was present.

[SEAL] HARRY B. GLASS,
Secretary.

[1286] WHEREAS, the Boards of Directors of First National Bank and Trust Company of Lexington, a National Banking Association organized under the laws of the United States, and Security Trust Company, a State Bank organized under the laws of the State of Kentucky, have approved a plan of consolidation of the two banks pursuant to the provisions of Title 12, U.S. Code, Section 215, and KRS 287.173, the resulting bank pursuant to the consolidation to be a National Bank under the Charter of First National as amended and to be known as "First Security National Bank and Trust Company of Lexington"; and

WHEREAS, under applicable law, application for approval to consolidate must be executed and filed with the Comptroller of the Currency upon Form No. 1931 (Revised July, 1960) furnished by the Office of the Comptroller of the Currency and the approval of the Comptroller must be obtained before consolidation of the two banks can be effected; and

WHEREAS, First National and Security have prepared a joint application for approval to consolidate, which with attached exhibits, schedules and supplementary documents has been presented to and considered by the Board of Directors of First National and Security;

BE IT THEREFORE RESOLVED that Leroy Miles, President, be and he is hereby authorized for and on behalf of First National Bank and Trust Company of Lexington to execute, jointly with Security Trust Company, an application for approval to consolidate First National Bank and Trust Company of Lexington and Security Trust Company in such number of counterparts as may be required and to deliver the same, together with accompanying exhibits, schedules and supplementary documents, to the Comptroller of the Currency in Washington, D.C.

I, James H. Robinson, Jr., Cashier of First National Bank and Trust Company of Lexington, do hereby certify that the foregoing is a true, accurate and correct copy of a resolution adopted by the Board of Directors of First National Bank and Trust Company of Lexington at a regular meeting of the Board held at the office of the company on Tuesday, November 22, 1960, and at which meeting a quorum of the Board of Directors was present.

[SEAL] JAMES H. ROBINSON, Jr.,
Cashier.

[1287] *Exhibit P*

AGREEMENT OF CONSOLIDATION AND PLAN OF REORGANIZATION OF FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON AND SECURITY TRUST COMPANY UNDER CHARTER OF FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON UNDER TITLE OF "FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON"

This Agreement of Consolidation and Plan of Reorganization made by and between

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON (hereinafter referred to as "First National"), a banking association organized under the laws of the United States, being located at Lexington, County of Fayette, in the Commonwealth of Kentucky, with a Capital of $1,250,000.00, divided into 100,000 shares of common stock, each of $12.50 per value, Surplus of $1,250,000.00, and Undivided Profits, including Capital Reserves, of $2,502,251.18, as of October 3, 1960; and

SECURITY TRUST COMPANY (hereinafter referred to as "Security"), a banking association organized under the laws of the Commonwealth of Kentucky, being located at Lexington, County of Fayette, in the Commonwealth of Kentucky, with a Capital of $1,000,000.00, divided into 40,000 shares of common stock, each of $25.00 par value, Surplus of $1,200,000.00, and Undivided Profits, including Capital Reserves, of $772,087.58, as of October 3, 1960;

Each acting pursuant to a resolution of its Board of Directors adopted by the vote of a majority of its Directors, pursuant to the authority given by and in accordance with the

provisions of the Act of November 7, 1918, as amended (12 U.S.C., Section 215) and KRS 287.173 and pursuant to a Plan of Reorganisation under Section 368 of the Internal Revenue Code of 1954;

[1288] WITNESSETH as follows:

SECTION 1.

First National and Security (hereinafter referred to as the "Consolidating Banks") shall be consolidated under the Charter of First National as amended so as to read in its entirety as set forth in "Exhibit A" hereto annexed.

SECTION 2.

The name of the consolidated association (hereinafter referred to as the "Association") shall be First Security National Bank and Trust Company of Lexington.

SECTION 3.

The business of the Association shall be that of a national banking association. This business shall be conducted by the Association at its main office, which shall be located at 167 West Main Street, Lexington, Kentucky, and at its legally established branches.

SECTION 4.

The amount of capital stock of the Association shall be $2,500,000.00, divided into 200,000 shares of common stock, each of $12.50 par value, and at the time the consolidation shall become effective the Association shall have a Surplus of $2,500,000.00, and Undivided Profits, including Capital Reserves, which when combined with the capital and surplus will be equal to the combined capital structures of the Consolidating Banks as stated in the preamble of this agreement; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of [1289] the consolidation and, for cash payments of amounts as set forth under Section 6 and the payment of normal dividends by the Consolidating Banks as set forth in Section 7 of this Agreement.

SECTION 5.

All assets of each of the Consolidating Banks, as they exist at the effective time of the consolidation, shall pass to and vest in the Association without any conveyance or other transfer, and the Association shall be responsible for all of the liabilities of every kind and description, including liabilities arising out of the operation of a Trust Department of each of the Consolidating Banks existing as of the effective time of the consolidation.

The assets contributed by the Consolidating Banks shall, at the effective time of the consolidation, have been passed upon and be acceptable to a committee of six, three to be appointed by the Board of Directors of each bank.

As its contribution to the capital structure of the Association, First National shall contribute acceptable assets having a book value, over and above its liability to its creditors, of at least $5,002,251.18, and having an estimated fair value, over and above its liability to its creditors, of at least $6,176,251.18, or 60% of the aggregate estimated fair value of excess acceptable assets being contributed by the consolidating banks to the Association; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of the consolidation, and, for allowance of cash payments, if any, permitted under this agreement.

[1290] The difference between the book value and the estimated fair value of the assets to be contributed is made up as follows:

Additions to Book Value:	
Reserve for Bad Debts	$302,000.00
Reserve for Bond Losses	110,000.00
Estimated Value of Banking House in excess of book value	791,000.00
Accrued commissions on Trust Estates	50,000.00
Cash Surrender Value of Life Insurance	4,000.00
Goodwill, based on record of earnings	420,000.00
Total Additions	$1,677,000.00

Deductions From Book Value:	
Adjustment for taxes applicable to the listed items	$336,000.00
Bond depreciation, estimated	87,000.00
Cash payment to become payable to shareholders, as indicated in this Agreement	80,000.00
Total Deductions	$503,000.00
Net Addition to Book Value	$1,174,000.00

As its contribution to the capital structure of the Association, Security shall contribute acceptable assets having a book value, over and above its liability to its creditors, of at least $2,972,087.58, and having an estimated fair value, over and above its liability to its creditors of at least $4,122,087.58, or 40% of the aggregate estimated fair value of excess acceptable assets being contributed by the Consolidating Banks to the Association; adjusted, however, for normal earnings and expenses between October 3, 1960, and the effective time of the consolidation, and, for allowance of cash payments, if any, permitted under this agreement.

The difference between the book value and the estimated fair value [1291] of the assets to be contributed is made up as follows:

Additions to Book Value:	
Reserve for Bad Debts	$153,000.00
Reserve for Bond Losses	171,000.00
Bond Appreciation, Estimated	143,000.00
Estimated value of Banking House in excess of book value	780,000.00
Accrued commissions on Trust Estates	200,000.00
Cash Surrender Value of Life Insurance	44,000.00
Total Additions	$1,491,000.00
Deductions From Book Value:	
Adjustment for Taxes Applicable to the Listed Items	$341,000.00
Total Deductions	$341,000.00
Net Addition to Book Value	$1,150,000.00

SECTION 6.

Of the capital stock of the Association, the shareholders of First National shall be entitled to receive 120,000 shares, being 1.2 shares, each of $12.50 par value, in exchange for each share

of $12.50 par value now held by them, being 60% of the total number of shares of capital stock of the Association; and the shareholders of Security shall be entitled to receive 80,000 shares, being 2 shares, each of $12.50 par value, in exchange for each share of $25.00 par value now held by them, being 40% of the total number of shares of capital stock of the Association. The shareholders of First National shall be entitled to receive, above and in addition to the aforementioned capital stock of the Association, a cash payment of Eighty Thousand Dollars ($80,000.00) being Eighty Cents (80¢) per share for each share of First National capital stock now held by them, to become payable to First National shareholders only in the event the consolidation of First National and Security shall be effected under the terms and provisions of this agreement, and then at the time and in the manner thereinafter provided. Such exchange and cash payment shall be [1292] handled as follows:

Upon the presentation and surrender by the shareholders of the Consolidating Banks of certificates representing shares of the capital stock owned or held by them in the Consolidating Banks, the Association shall, within a reasonable time after the effective date of consolidation issue to each stockholder entitled thereto, or to his order, a certificate representing the whole number of shares to which each stockholder is entitled hereunder, and in addition thereto the Association shall pay to each of the shareholders of First National the sum of Eighty Cents (80¢) per share for each share owned or held by such shareholder upon presentation and surrender thereof to the Association.

No fractional shares of Association will be issued to any shareholder of First National, but a certificate or certificates of Association representing the aggregate of the fractional shares to which the shareholders of First National are entitled shall be delivered by the Association to a committee of First National shareholders to be appointed by the Board of Directors of First National prior to the effective date of consolidation.

The committee of First National shareholders established for such purpose shall act as agent for each shareholder of First National entitled to a fractional share interest in purchasing for

the account of such shareholder the additional fractional share interest required, with the fractional interest owned by him, to make up one full share or in selling the shareholder's fractional share interest and remitting the proceeds [1293] to the shareholder in accordance with the directions given to the committee by such shareholder; provided, that if instructions regarding the purchase or sale of fractional share interests have not been received within one hundred and twenty (120) days after the effective date of consolidation, such fractional share interest may be sold by the committee at not less than the market value on the date of sale, and the proceeds thereof will be held for the First National shareholder entitled thereto.

The shareholders of the Consolidating Banks shall be requested to deliver their shares to the Association for conversion to the stock of the Association in the manner herein stated, and to instruct the committee for First National stockholders as to the manner in which fractional share interests are to be handled by the committee.

In the event a shareholder fails to present a certificate or certificates representing the shares in the Consolidating Banks for exchange as hereinbefore provided, the number of whole shares to which such shareholder is entitled under this agreement shall be set aside and held for him by the Association until such time as he shall present the certificate or certificates representing his shares to the Association for conversion into whole share certificates.

SECTION 7

Neither of the Consolidating Banks shall declare nor pay any dividend to its shareholders between the date of this agreement and the time at which [1294] the consolidation shall become effective, nor dispose of any of its assets in any other manner except in the normal course of business and for adequate value, except that First National shall pay a cash dividend on January 3, 1961, of $65,000.00, being Sixty-Five Cents (65¢) per share of stock now held by them, and that Security shall pay a cash dividend on January 3, 1961 of $32,000.00, being Eighty Cents (80¢) per share of stock now held by them; provided, however, that nothing herein contained shall be construed as limiting or prohibiting the payment of Eighty Thousand

Dollars ($80,000.00) to shareholders of First National as authorized and directed in Section 6.

SECTION 8.

The following named persons shall constitute the original Board of Directors of the Association, to serve until the next annual meeting of its shareholders and until such time as their successors have been elected and qualify:

David Ades
Dan D. Brock
William H. Courtney
Leonard G. Cox, Jr.
Edward S. Dabney
W. Rodes Estill
Louis E. Hillenmeyer
Walter W. Hillenmeyer, Jr.
Fraser D. LeBus, Jr.
William E. Lehman
Leroy M. Miles
John C. Nichols
Salem A. Wallace
J. Stephen Watkins
F. H. Wright

SECTION 9.

[1295] Effective as of the time this consolidation shall become effective, as specified in the "Certificate of Approval" to be issued by the Comptroller of the Currency, the articles of association of the Association shall read in their entirety as set forth in Exhibit A annexed hereto.

SECTION 10.

It is the intent of this agreement to effect a tax-free reorganization under Section 368 of the Internal Revenue Code through the process of consolidation of First National and Security under the Charter of First National as amended pursuant to the provisions of Title 12 U.S. Code, Section 215, and KRS 287.173, and this agreement contemplates a genuine corporate reorganization designed to effect a readjustment of continuing interests under a modified corporate form.

This agreement may be amended to comply with the requirements of the Comptroller of the Currency of the United States and in other respects which in the opinion of counsel do not effect substantial changes in the agreement with the concurrence and approval of the Boards of Directors of the Consolidating Banks.

At any time prior to ratification and confirmation of this agreement by the shareholders of the Consolidating Banks as hereinafter provided, the Board of Directors of either Consolidating Bank, without action or approval of the shareholders of either Consolidating Bank, may abandon the consolidation and in such event this joint agreement shall thereupon be null and void. If this agreement shall become null and void pursuant to the foregoing provisions, there shall be no liability on the part of either of the Consolidating Banks, their Directors or shareholders, by reason thereof.

[1296] SECTION 11.

This agreement shall be ratified and confirmed by the affirmative vote of the shareholders of each of the Consolidating Banks owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the Directors; and the consolidation shall become effective at the time specified in a certificate to be issued by the Comptroller of the Currency of the United States, under the seal of his office, approving the consolidation.

WITNESS the signatures and seals of said Consolidating Banks this ..... day of ....., 19.., each hereunto set by its President and attested by its Cashier or Secretary, pursuant to a resolution of its Board of Directors, acting

by a majority thereof, and witness the signatures hereto of a majority of each of said Boards of Directors.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON,

Attest:

By .....,
President.

.....,
Cashier.

SECURITY TRUST COMPANY,

Attest:

By .....,
President.

.....,
Secretary.

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[1297] .....,

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Directors of First National Bank and Trust Company of Lexington.

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Directors of Security Trust Company.

[1298] *Exhibit "A"*

ARTICLES OF ASSOCIATION OF FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON

FIRST. The title of this Association shall be "First Security National Bank and Trust Company of Lexington."

SECOND. The main office shall be in Lexington, Fayette County, Kentucky. The general business of the Association shall be conducted at its main office and its legally established branches.

THIRD. The Board of Directors of this Association shall consist of not less than five nor more than twenty-five shareholders. At any meeting of the shareholders held for the purpose of electing Directors, or changing the number thereof, the number of Directors may be determined by a majority of the votes cast by the shareholders in person or by proxy. A majority of the Board of Directors shall be necessary to constitute a quorum for the transaction of business at any Directors' meeting.

FOURTH. The regular annual meeting of the shareholders of this association shall be held at its main banking house, or other convenient place duly authorized by the Board of Directors, on the second Tuesday of January of each year, or on the next succeeding business day if the day fixed falls on a legal holiday, at which meeting a Board of Directors shall be elected; but, if no such election is held as provided, it may be held at any regular adjournment of the annual meeting or at a subsequent special meeting held within 60 days as provided by the laws of the United States.

FIFTH. The amount of capital stock of this Association shall be Two Million, Five Hundred Thousand Dollars ($2,500,000.00), divided into 200,000 shares of common stock of the par value of Twelve Dollars and Fifty Cents ($12.50) each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of the laws of the United States.

If the capital stock is increased by the sale of additional shares thereof, each shareholder shall be entitled to subscribe for such additional shares in proportion to the number of shares of said capital stock owned by him at the time the increase is

authorized by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorized. The Board of Directors shall have the power to prescribe a reasonable period of time within which the preemptive rights to subscribe to the new shares of capital stock must be exercised.

[1299] If the capital stock is increased by a stock dividend, each shareholder shall be entitled to his proportionate amount of such increase in accordance with the number of shares of capital stock owned by him at the time the increase is authorized by the shareholders, unless another time subsequent to the date of the shareholders' meeting is specified in a resolution adopted by the shareholders at the time the increase is authorized.

SIXTH. The Board of Directors shall appoint one of its members President and one if its members as Chairman of the Board. In the absence of the President, the Chairman of the Board shall perform all acts and duties pertinent to the office of the President except such as the President only is authorized by law to perform; and in the absence of the Chairman of the Board, the President shall perform all acts and duties which the Chairman is authorized to perform.

The Board of Directors, in its discretion, shall have the power to appoint an Executive Vice President, who may be, but is not required to be, a member of the Board; to appoint one or more Vice Presidents; to appoint a Cashier and such other officers as may be required to transact the business of this Association; to fix the salaries to be paid to all officers and employees of this Association and to dismiss such officers or employees, or any of them, and appoint others to take their place.

An Executive Committee shall be appointed by and from the Board of Directors in such manner and subject to such regulations as may be provided in the by-laws, which committee shall have and may exercise all of the powers of said Board when the Board is not in session except such powers as by law, the Board alone is authorized to exercise, and subject to such limitations as may be provided in the by-laws or by resolution of the Board of Directors.

The Board of Directors shall have the power to define the duties of officers and employees of this Association and to require adequate bonds from them for the faithful performance of their duties; to make all by-laws that may be lawful for the general regulation of the business of this Association and the management of its affairs, and generally to do and perform all acts that may be lawful for the Board of Directors to do and perform.

Any person may be indemnified or reimbursed by the Association for reasonable expenses actually incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a director, officer or employee of this Association; Provided, however, that no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding in which he shall finally be adjudged to have been negligent in the performance of his duties or to have committeed an act or failed to perform a duty for which there is a common-law or a statutory liability; And provided further that no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding [1300] which has been made the subject of a compromise settlement, except with the approval of the holders of record of a majority of the outstanding shares of this Association. The foregoing right of indemnification or reimbursement shall not be exclusive of all other rights to which such person may be entitled as a matter of law.

The Board of Directors shall have the power to change the location of the main office of this Association to any other place within the limits of the City of Lexington, Fayette County, Kentucky, without the approval of the shareholders of this Association, but subject to the approval of the Comptroller of the Currency; and shall have the power to change the location of any branch or branches of this Association to any other location, without the approval of the shareholders of this Association but subject to the approval of the Comptroller of the Currency.

SEVENTH. The corporate existence of this Association shall continue until terminated in accordance with the laws of the United States.

EIGHTH. The Board of Directors of this Association, or any three or more shareholders owning, in the aggregate, not less than ten per centum (10%) of the stock of this Association, may call a special meeting of shareholders at any time.

Unless otherwise provided by the laws of the United States, a notice of the time, place, and purpose of every annual, and every special meeting of the shareholders shall be given by first-class mail, postage prepaid, mailed at least ten (10) days prior to the date of such meeting to each shareholder of record at his address as shown upon the books of this Association.

Subject to the provisions of the laws of the United States, these Articles of Association may be amended at any meeting of the shareholders for which adequate notice has been given, by the affirmative vote of the owners of a majority of the stock of this Association, voting in person or by proxy.

[1301] *Exhibit (Q)*

KENTUCKY STATUTES APPLICABLE TO CONSOLIDATION AND BRANCHES

287.173 *Conversion of state bank to or merger with national banking association.*

(1) A state bank may convert into, or merge or consolidate with a national banking association under the charter of a national banking association in the manner provided by Federal law and without approval of any state authority.

(2) The franchise of a state bank as a state bank shall automatically terminate when its conversion into or its merger or consolidation with a national banking association under a Federal charter is consummated and the resulting national banking association shall be considered the same business and corporate entity as the state bank, although as to rights, powers and duties the resulting bank is a national banking association.

(3) At the time when such conversion, merger or consolidation becomes effective:

(a) All of the property, rights, powers and franchises of the state bank shall vest in the national banking association and the national banking association shall be subject to and be deemed to have assumed all of the debts, liabilities, obliga-

tions and duties of the state bank and to have succeeded to all of its relationships, fiduciary or otherwise, as fully and to the same extent as if such property, rights, powers, franchises, debts, liabilities, obligations, dutes and relationships had been originally acquired, incurred or entered into by the national banking association;

(b) Any reference to the state bank in any contract, will or document, whether executed or taking effect before or after the conversion, merger or consolidation, shall be considered a reference to the national banking association if not inconsistent with the other provisions of the contract, will or document;

(c) A pending action or other judicial proceeding to which the state bank is a party, shall not be deemed to have abated or to have discontinued by reason of the conversion, merger or consolidation, but may be prosecuted to final judgment, order or decree in the same manner as if the conversion, merger or consolidation had not been made; or the national banking association may be substituted as a party to such action or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against the state bank if the conversion, merger or consolidation had not occurred. (1952, c. 222, § 3; effective March 21, 1952)

Articles of incorporation of ordinary corporations, contents, KRS 271.035.

287.174 *Provisions of KRS 287.171 to 287.173 to constitute alternative method; legislative purpose declared.* The methods and procedures set out in KRS 287.172 and 287.173 are authorized in addition to any other methods or procedures for the accomplishment of the same or similar purposes which heretofore may have been established by law. It is the purpose of KRS 287.171 to 287.174 to make effective in this Commonwealth the provisions and purposes of the Act of Congress dated August 17, 1950, which is compiled as Chapter 729 of Volume 64 of the United States Statutes, and as 12 U.S.C.A. Sec. 214. (1952, c. 2225 § 4; effective March 21, 1952)

287.180 (579) *Powers of banks; branch and agency banks.* (1) Banks authorized under the laws of this state may, except as provided in subsection (2) of this section, exercise, only at

their principal office, powers necessary to carry on the business of banking by discounting and negotiating notes, drafts, bills of exchange and other evidences of debt, and by purchasing bonds, receiving deposits and allowing interest thereon, buying and selling exchange, coin and bullion and lending money on personal or real security. . . .

(2) Any corporation presently or hereafter engaged in the business of banking, and meeting the requirements of this subsection, may apply to the Commissioner of Banking for permission to establish, within the city in which its principal office is located and, subject to the limitation hereafter imposed, within the county in which its principal office is located, a branch at which all of the powers conferred in subsection (1) of this section may be exercised. Before the Commissioner of Banking shall approve or disapprove any application made under this subsection he shall ascertain and determine that the public convenience and advantage will be served and prompted thereby and that there is reasonable probability [1302] of the successful operation of such branch. No such branch shall be authorized or approved by the commissioner unless all of the following are complied with:

(a) No such corporation having a combined capital and surplus of less than $100,000 shall be permitted to establish any branch. Any corporation applying for permission to establish a branch shall be required to have a minimum combined capital and surplus for each branch applied for in accordance with the following table:

If the principal office is located in:

1. An unincorporated area or in a city of 7,999 population or less	$100,000
2. City with population of 8,000 to 19,999	$200,000
3. City with population of 19,900 and over one branch may be authorized for every $250,000 of capital and surplus.	

Said population is to be determined by the last census or any future census of the United States.

(b) No such corporation shall be permitted to establish a branch in any incorporated city, other than in the city in which its principal office is located, in which there is an existing bank. Nor shall any such corporation be permitted to establish a

branch in any unincorporated area within a radius of one mile of an existing bank located in such unincorporated area. As used in this subsection, an "existing bank" shall mean the principal office of a bank as distinguished from a branch thereof.

(c) The permission to open a branch shall lapse at the end of six months unless it shall have been opened and business actually begun in good faith. For reasons determined by the Commissioner of Banking to be sufficient said permission to open a branch may, with the approval of the commissioner, be extended for one six month's period.

(3) Any corporation which on January 1, 1954, was engaged in operating an agency or branch bank, may continue to retain and operate the same under the general banking laws, and the requirements set forth in this section in respect to capital shall not apply to any such existing agency or branch bank but only as to those agencies or branch banks which may be established in the future pursuant to the terms of this section.

(4) The provisions of this section shall not be construed to prohibit the merger of banks in the same county and the operation by the merged corporation of such banks, nor to prohibit the sale of any bank to, and the purchase thereof by, any other bank in the same county and the operation of such bank by the purchasing bank as a branch, provided the Commissioner of Banking shall determine that the public convenience and necessity will be served by such operation, and provided further that, at the time of such merger or purchase, each of the banks involved shall have been in operation for a period of five years or more.

(5) Any national banking association or any state bank member of the Federal Reserve System whose principal office is located in this state is hereby authorized to do all things and perform all acts which state banks are permitted to do or perform under this section, subject to the conditions and restrictions provided for banks as to exercise of such powers.

(6) When a branch or agency bank has once been established any operation thereof shall not be discontinued, and

said branch or agency bank shall not be closed until after ninety days notice in writing to the commissioner. In the discretion of the commissioner said branch or agency bank proposing to discontinue operation may be required to give notice of the date when such operation will cease. (1954, c. 182, § 1; effective June 17, 1954).

[1303] *Key to Map Exhibit (R)*

(1) The overlay sheet indicates participating banks estimated branch service area. Population figures are not available for branch areas.

(2) Other areas indicated on the map are as follows:

"Shopping Centers"—10 or more trade units.

"Concentrated Trade Areas"—wholesale-retail food; white goods and heavy equipment; truck terminals and warehouses; motels; theatres; bowling alleys; etc.

"Industry"—plants such as I.B.M., General Electric, American Can, Mengel Company, Square D, Proctor & Gamble, R. J. Reynolds, Parker Seal, etc.

(3) Shaded areas show the newer subdivisions where homes have been built recently, and those subdivisions where future expansion is probable.

1,244 new one-family units built in 1957.
1,323 new one-family units built in 1958.
1,413 new one-family units built in 1959.

(4) Key to numbering of bank offices is found in upper left corner of map.

EXHIBIT R

[1304–1305] [Maps—City of Lexington and suburbs, Fayette County, Kentucky, 1960, omitted in printing]

[1306] *In United States District Court*

PLAINTIFF EXHIBIT 130

Geographic Sources of Banking Business Done By the Citizens Union National Bank and Trust Company, Lexington, Kentucky (All Figures as of January 1962)

	Total (Amounts in thousands)	Accounts or Loans in Which Customer is Located in Fayette County	Percent of Total
(1) IPC Demand Deposit Accounts:			
(a) Number of Accounts	10,877	10,378	95.39
(b) Dollar Value	$19,983	$19,388	97.02
(2) Commercial and Industrial Loans:			
(a) Number of Loans	1,106	980	88.69
(b) Dollar Value	$7,895	$6,584	83.47
(3) Trust Accounts:			
(a) Number of Accounts	234	227	97.01
(b) Dollar Value	$3,903	$3,867	99.08

Source: Letter from Ernest S. Clarke to George J. Mitchell, dated January 26, 1962.

[1307] *In United States District Court*

PLAINTIFF EXHIBIT 131

[Regulation of Bank Mergers—Report of the Committee on Banking and Currency together with supplemental views to accompany S. 1062, omitted in printing]

[1308] *In United States District Court*
DEFENDANT EXHIBIT 1

The Lexington Herald 7
Friday, January 5, 1962

CITIZENS UNION

is proud to announce a

$10 MILLION DOLLAR Growth in 7 years

1954—$23,175,162.68

(The date of merger of Citizens and Union Banks)

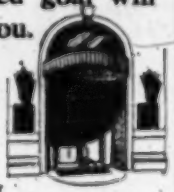
1961—$33,394,275.41

STATEMENT OF CONDITION

December 29, 1961

RESOURCES		LIABILITIES	
Cash and due from Banks	$ 7,344,142.77	Capital Stock	$ 1,000,000.00
U. S. Government Bonds	9,055,115.19	Surplus	1,000,000.00
Other Bonds	1,661,734.13	Undivided Profits	350,973.54
Federal Reserve Bank Stock	75,000.00	Reserves:	
Loans and Discounts	14,070,537.22	For Bad Debts—under Authority U. S. Treas.	
Bank Premises	410,537.10	Dec. 1959	$200,709.09
Furniture and Fixtures	9,223.13	For Interest on	313,664.00
Miscellaneous Assets	18.94	For Taxes, etc.	163,209.54
		Interest Collected — Unearned	334,083.92
		Deposits:	
		Demand & Time	28,350,741.57
		U. S. Government	350,000.11
TOTALS	$33,394,275.41	TOTALS	$33,394,275.41

We want to thank our customers for making this growth possible—And our continued goal will be to work WITH and FOR you.



CITIZENS UNION NATIONAL BANK AND TRUST CO.

201 West Short St., Lexington's Best Known Banking Center

AND OUR 3 BRANCH BANKS AT

1100 Winchester Road — 1481 Leestown Road — 1330 Harrodsburg Road

Member Federal Deposit Insurance Corporation — Member Federal Reserve System

[1309] *In United States District Court*
DEFENDANT EXHIBIT 2

FIFTY-FIFTH ANNUAL REPORT

TO STOCKHOLDERS

CITIZENS UNION NATIONAL BANK & TRUST COMPANY

LEXINGTON, KENTUCKY

ANNUAL MEETING -- JANUARY 16, 1962

Member Federal Reserve System

Member Federal Deposit Insurance Corporation

[1310]

Fifty-Fifth Annual Report to Stockholders

The year of 1961 was a good one for your Bank with a continued and unprecedented growth in its business. General business activity in our area continued on a relatively high level and at about the same pace as the previous year. The number of construction permits issued in Fayette County declined 519 to 3,398, but the value of these permits increased $5,120,000. to $38,498,000. A reduction in the number of permits of 472 occurred in single family dwelling units, and several concerns engaged in this field encountered financial difficulties during the year.

Total employment in Fayette County was practically unchanged during the year, with a slight decrease in manufacturing employment being offset by an increase in governmental and service employment. Bank clearings increased in nine months and declined in three, and the total for the year increased $10,735,000., or 2.5%. Department store sales for the year 1961 compared on a monthly basis with the previous year, were greatly affected by the sales tax which became effective in July 1960. Although figures are not available for December 1961 at this time, total sales for the year will probably be about the same as the previous year.

From a banking standpoint 1961 was almost a complete reversal of the previous year with deposits increasing and the demand for loans decreasing. This trend was at an accelerated pace in the latter part of the year. Total deposits in Lexington banks reached a new high level, exceeding $171,000,000. at the year-end, an increase of $24,600,000. during the year, with approximately $22,900,000. of this increase in demand deposits, and only $1,700,000. in savings deposits. The latter may well increase substantially in 1962 with the higher rate being paid on these deposits. Total loans were $2,000,000. or 2.3% less than a year ago.

A percentage comparison of deposits and loans of Lexington banks with a year ago, and important balance sheet ratios, according to our calculations, are as follows:

	Citizens Union	First Security	Bank of Commerce	Second National	Central Bank
Deposits	21	15	19	11	31
Loans	-2	-2	4	6	-19
Ratios					
Capital Funds to					
Deposits	9	10	7	8	5
Loans	19	19	13	18	14
Investments	25	34	56	18	20
Loans & Investments	11	12	11	9	8
Risk Assets	17	17	12	16	13
Cash and Governments					
To Deposits	56	53	47	62	70
Loans to Deposits	48	54	57	42	34

Our comparatively favorable ratios, particularly the very important ones of capital funds to deposits and to risk assets, assure us of the adequacy of our capital, and of our ability to continue to attract desirable new business.

[1311]

Comparative Statement of Condition

	Dec. 30, 1961	Dec. 31, 1960
Resources		
Cash and Due From Banks	$7,144,143.	$4,221,728.
Bonds		
U. S. Government	9,625,115.	7,216,253.
Municipal	1,428,660.	1,400,591.
Total Bonds	11,053,775.	8,616,844.
Federal Reserve Bank Stock	75,000.	66,000.
Loans and Discounts		
Real Estate	3,248,737.	3,484,554.
Commercial	5,977,651.	5,501,998.
Collateral	2,112,132.	1,981,345.
Consumer	2,885,372.	3,488,679.
Total Loans	14,223,892.	14,456,576.
Banking House	819,537.	444,566.
Furniture & Fixtures	9,222.	22,520.
Miscellaneous Assets	17.	47,983.
Totals	32,925,586.	27,876,217.
Liabilities		
Capital Stock	1,000,000.	1,000,000.
Surplus	1,500,000.	1,500,000.
Undivided Profits	225,874.	133,427.
Total Capital	2,725,874.	2,633,427.
Reserve for Taxes, Etc.	183,899.	275,170.
Interest Collected Not Earned	334,083.	398,977.
Deposits		
Demand	18,733,687.	16,372,344.
Savings	6,667,234.	6,047,457.
U. S. Government	320,892.	313,671.
State and Political	1,930,231.	399,277.
Banks	1,875,672.	1,[illegible]1,667.
Other	154,014.	164,627.
Total Deposits	29,681,730.	24,568,643.
Totals	$32,925,586.	$27,876,217.

2.

[1312]

Our loans decreased $233,000. with the decline in Real Estate and Consumer Loans exceeding the increase in Commercial and Collateral Loans. Undivided Profits increased $92,447 but would have been greater except for the transfer of $85,408. to Reserve For Bad Debts. In addition to Capital Funds listed are Internal Reserves of $469,825.

The average maturity of bonds owned at the year-end is as follows:

U. S. Government	1 year 10 months
State and Municipal	4 years 7 months
Average of all Bonds	2 years 2 months

Our average maturity is four months shorter than our extremely liquid position of a year ago, and is indicative of our conservative investment policy. It affords a flexibility which we deem desirable in present economic and monetary circumstances.

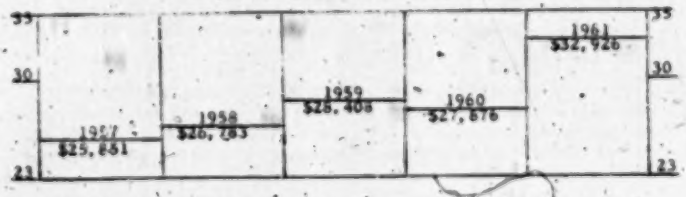
Gross operating income was $1,269,929., which was $11,055. greater than last year and was again the highest in the Bank's history. Expenses, however, increased $54,667. and had it not been for an over-accrual of Income Taxes in 1960, the decline in our Net Operating Income would have been more than the $2650. reported. Profits from the sale of securities were not available during 1961.

Effective January 1, 1962 the Federal Reserve Board increased the maximum interest payable on Savings Deposits, and our Board of Directors authorized the Bank to meet competition. We will currently pay 4% on Savings Deposits remaining with us for one year from the effective date, and 3-1/2% for six months. This will adversely affect our earnings as we cannot conservatively increase our income to offset this increased expense of doing business.

Gross income earned on average total resources amounted to 4.5%; 6% on loans; 1.9% on Government Bonds; 3.5% on Municipal Bonds and 2.1% on all Bonds.

TOTAL ASSETS DECEMBER 31

(In Thousands of Dollars)



Our three branch offices continued to efficiently serve an important segment of our growing business and are responsible for our being able to attract many new customers. We are now serving more than 11,000 Checking Account and nearly 6,200 Savings Account depositors.

[1313]

Condensed Comparison of Earnings

	For Year Ended December 31 1961	1960
Operating Income:		
Interest on Loans	$ 874,914.26	$ 828,371.28
Interest and Dividends on Securities	199,522.44	248,232.77
Other Operating Income	195,492.45	182,269.81
Total	1,269,929.15	1,258,873.86
Operating Expenses	830,033.58	775,366.88
Net Operating Earnings Before Income Taxes	439,895.57	483,506.98
Less: Income Taxes	160,655.44	199,703.99
Other Charges, Net	1,385.88	3,298.56
Net Operating Earnings	$ 277,854.25	$ 280,504.43

Reconcilement of Capital, Surplus and Undivided Profits

Capital, Surplus and Undivided Profits At Beginning of Year	$2,633,427.22	$2,453,746.45
Net Operating Earnings	277,854.25	280,504.43
Total	2,911,281.47	2,761,250.88
Less: Transfer to Reserve For Bad Debts	85,407.63	27,823.66
Dividends	100,000.00	100,000.00
Capital, Surplus and Undivided Profits	$2,725,873.84	$2,633,427.22
Book Value of Stock	$ 27.26	$ 26.33
Income Taxes Paid Per Share	1.61	2.63
Net Earnings Per Share	2.78	2.81
Dividends Per Share	1.00	1.00

We want to again express our appreciation to you for your continued support and patronage. Because of anticipated increased costs of doing business and even more intense competition in 1962 we urge you to even greater efforts to direct all the business possible to your Bank. We have the facilities, the financial resources and ability to handle all of the good banking business we can get.

Your Directors are deserving of your continued support for their most capable representation of your interests and the guidance and assistance of the Officers of your Bank. We again want to express our appreciation to our Staff for its efficient service during the year. Although not listed ... our statement, it is our most valuable asset.

A. G. Mainous
Chairman of the Board

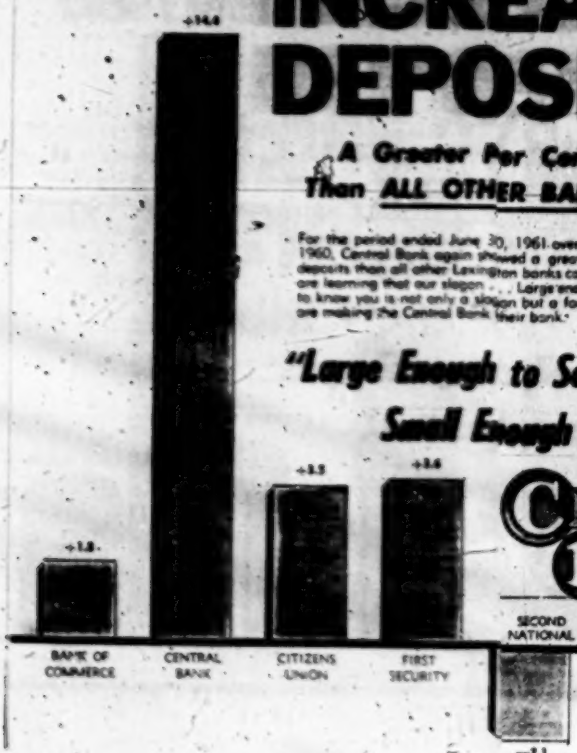
Ernest S. Clarke
President

[1314] *In United States District Court*
DEFENDANT EXHIBIT 3

CENTRAL BANK AGAIN LEADS IN INCREASED DEPOSITS!

A Greater Per Cent of Increase Than ALL OTHER BANKS COMBINED

For the period ended June 30, 1961 over the like period ended June 30, 1960, Central Bank again showed a greater percentage of increase in deposits than all other Lexington banks combined. More and more people are learning that our slogan . . . Large enough to serve you, small enough to know you is not only a slogan but a fact. Join the many others who are making the Central Bank their bank.



"Large Enough to Serve You... Small Enough to Know You"

CENTRAL BANK

ALL DEPOSITS INSURED TO $10,000 BY THE FEDERAL DEPOSIT INSURANCE CORP

Percentages were computed by and are on file at, Central Advertising Agency using figures as shown in the published call reports of the banks shown.

[1315] *In United States District Court*
DEFENDANT EXHIBIT 4

Thanks....

FOR THE GREATEST PER CENT OF GROWTH IN DEPOSITS OF ANY LEXINGTON BANK DURING 1961

[1316] *In United States District Court*
DEFENDANT EXHIBIT 5

The Lexington Leader 5
Wednesday, January 10, 1962

PROGRESS

CENTRAL BANK & TRUST CO.

is proud to announce a

$14,065,278.44

GROWTH

IN ONLY SIX YEARS

COMPARATIVE STATEMENT OF CONDITION
December 31, 1955, 1961

	December 31, 1955	December 31, 1961
ASSETS		
Cash	$1,361,539.76	$ 6,000,000.76
U. S. Bonds	944,539.40	4,392,075.59
Other Bonds	328,752.26	50,000.00
Loans and Discounts	2,948,817.13	6,200,202.82
Furniture and Fixtures	44,934.92	87,725.00
Real Estate	—0—	360,396.27
TOTAL ASSETS	$5,641,985.42	$19,797,143.86
LIABILITIES		
Deposits	$5,052,959.37	$18,707,472.30
Capital	150,000.00	400,000.00
Surplus	200,000.00	400,000.00
Profits and Reserves	235,966.05	289,666.56
TOTAL LIABILITIES	$5,641,985.42	$19,797,143.86

4% SAVINGS INTEREST

Without our customers, this outstanding growth would not have been possible. We wish to take this opportunity to express our sincere thanks to these customers whose confidence in the employees, officers and directors is expressed by the continued growth of your Central Bank and Trust Company. It is our purpose to continue to bring to the people of this community friendly and complete personal banking services, and to continue to improve and expand these services at every opportunity.

ALL DEPOSITS INSURED TO $10,000 BY THE FEDERAL DEPOSIT INSURANCE CORP.

"Large Enough to Serve You . . .
Small Enough to Know You"

We Have "Customer Hours" . . . Not Banker's Hours"
THE ONLY LEXINGTON BANK
Open Daily 9 to 4
Saturdays 9 'till Noon

CENTRAL BANK & TRUST CO.
CORNER SHORT AND UPPER

The Bank With All The Extra Service

[1317] *In United States District Court*
DEFENDANT EXHIBIT 6

CENTRAL'S INCREASE IN CLEARINGS DURING 1961 MORE THAN 11 TIMES GREATER THAN ALL OTHER Lexington BANKS COMBINED

CENTRAL BANK INCREASED $126,463,318.49
OTHER LEXINGTON BANKS INCREASED $10,734,930.04

Just what are Bank Clearings, and what do they mean to you, as a customer of Central Bank and Trust Company?

Bank Clearings is a term applied to the amount of money which a bank pays out on checks. For example . . . all checks written against customers' accounts are counted as clearings.

The extraordinary amount of Bank Clearings which your Central Bank and Trust Company handles means that this bank is taking a vigorous part in the growing economy of Lexington and Central Kentucky.

CLEARINGS "Q" DEC. 1961

CENTRAL BANK INCREASED $3,398,684.74
OTHER LEXINGTON BANKS DECREASED $5,040,547.55

4% SAVINGS INTEREST

DON'T PAY EXTRA FOR WRITING CHECKS
ONLY AT CENTRAL BANK CAN YOU WRITE AS MANY CHECKS AS YOU DESIRE WHEN MINIMUM BALANCE IS MAINTAINED.

We Have "Customer Hours" . . . Not Bank-ers Hours
THE ONLY LEXINGTON BANK
Open Daily 9 to 4
Saturdays 9 'til Noon

ALL DEPOSITS INSURED TO $10,000 BY THE FEDERAL DEPOSIT INSURANCE CORP.

"Large Enough to Serve You . . . Small Enough to Know You"

CENTRAL BANK & TRUST CO.
CORNER SHORT & UPPER

The Bank With All The Extra Service

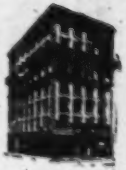
Again Central Leads the Way...

Sixteen years ago Central Bank inaugurated the policy of paying the highest justifiable rate of savings interest to the people of this community. Since that time, changing economic conditions have, on several occasions, justified raising the savings interest rate, all of which raises were inaugurated by Central Bank and ultimately followed by some of Lexington's other banks. Again, Central leads the way in paying the maximum rate of savings interest permitted. A recent regulation by the Federal Reserve Board and the Federal Deposit Insurance Corporation permits commercial banks to pay up to 4% interest left on deposits for one year and 3½% on deposits of six months. Put your savings to work at Central Bank where you always earn the maximum interest rate obtainable.

4% SAVINGS INTEREST
EFFECTIVE
JAN. 1, 1962

ALL DEPOSITS INSURED TO $10,000.00 BY THE FEDERAL DEPOSIT INSURANCE CORP.

We Have "Customer Hours"
. . . Not "Bankers Hours"
THE ONLY LEXINGTON BANK
Open Daily 9 to 4
SATURDAYS 9 to 12 Noon



"Large Enough to Serve You . . . Small Enough to Know You"

CENTRAL BANK & TRUST CO.
CORNER MAIN AND UPPER

The Bank With All The Extra Service

[1318] 1017
In United States District Court
DEFENDANT EXHIBIT 7

[1319] *In United States District Court*
DEFENDANT EXHIBIT 8

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
AT LEXINGTON

UNITED STATES OF AMERICA, Plaintiff	
v.	Civil Action No. 1424
FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY, and FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, Defendants	

STIPULATION

It is stipulated by the parties as follows:

A) That the charts, tables and documents listed below may be introduced in evidence on behalf of the Defendants without further authentication and that the same are competent and relevant:

1) Three maps which show:

a) Location of banking offices before merger
b) Location of banking offices after merger
c) Identity and location of banks that had correspondent accounts with First National as of 12/31/60

2) Number of banking offices in Fayette County, Kentucky

3) Changes in number of all demand deposit accounts of First National by size of deposit as of dates indicated

[1320]

4) Alternative sources for secured and unsecured loans from commercial banks located in Fayette County, Kentucky, as of 12/31/60 according to legal lending limits

5) Alternative sources for secured and unsecured loans from commercial banks located in Fayette County, Kentucky, as of 6/30/61 according to legal lending limits

6) Number and percentage of total loans by size of loans outstanding of Citizens Union Bank and Trust Company as of September 19, 1961

7) Number and percentage of total loans by size of loans outstanding during 1960 of two banks

8) Table showing share of deposits in local commercial banks held by first national bank and by Security Trust Company and their combined share at year end 1935-1960

9) Table showing share of total deposits in local commercial banks held by Citizens Bank and Union Bank before consolidation Citizens Union Bank after consolidation at year end 1935-1960

10) Table showing share of total bank loans of local commercial banks held by Citizens Bank and Union Bank before consolidation Citizens Union Bank after consolidation at year end 1935-1960

11) Table showing share of all bank loans held by all commercial banks of First National Bank and by Security Trust Company and their combined share at year end 1935-1960

12) Table showing per cent of all deposits of local commercial banks held by each Lexington bank at year end 1935-1960

13) Graph showing share of all deposits of local commercial banks held by First National and Security Trust and their combined share at year end 1935-1960

14) Graph showing per cent of all bank loans of local commercial banks held by each Lexington bank at year end 1935-1960

15) Graph showing share of all bank loans of all local commercial banks made by First National and Security Trust and their combined share at year end 1935-1960

16) Table showing loans held by each Lexington bank and per cent of total Lexington bank loans held by each bank at year end 1935-1960

[1321]

17) Graph showing total deposits held by all Lexington banks December 31, 1935 - 1960

18) Table showing dollar volume and percentage of total dollar volume of loans to individuals to purchase other retail consumer goods on installment basis held by commercial banks in Fayette County, Kentucky, as of December 31, 1960

19) Table showing dollar volume and percentage of total dollar volume of loans for purchasing or carrying securities held by commercial banks in Fayette County as of December 31, 1960

20) Table showing growth in total assets of all Lexington banks in dollar volume and percentage growth from December 31, 1945, to December 31, 1960

21) Table showing growth in total loans of all Lexington banks in dollar volume and percentage growth from December 31, 1945 to December 31, 1960

22) Table showing growth in total deposits of all Lexington banks in dollar volume and percentage growth from December 31, 1945 to December 31, 1960

23) Growth of trust department of Second National in number of accounts and dollar volume by years

24) Comparison of loans, deposits and capital of all Lexington banks on year end dates with ratios

25) Comparison of dollar amounts and percentages of all Lexington banks per published statements for years ended December 31, 1960, and 1961

26) Comparison of Installment Loans at year end dates since beginning business

27) Earnings, expenses and profits of insured commercial banks by selected size classification, 1954 - 1960

28) Chart showing total assets of each Lexington bank and percentage of total assets of all Lexington banks held by each bank from 1928 through 1960

29) Employment of resources and liabilities of all Lexington banks per year end call reports 1960

30) Pictures of all banks and banking offices in Fayette County, Kentucky

31) Table showing proportion of earnings of Trust Department of First National and Security Trust Company derived from corporate trust business and from individual trust business for years stated

[1322]

32) Table showing dollar volume and percentage of total dollar volume of other installment loans for personal expenditures held by commercial banks in Fayette County, Kentucky, as of December 31, 1960

33) Employment of resources and liabilities of all banks (United States - States and other areas) per F.D.I.C. Report No. 54 Dated December 31, 1960

B) That the information contained in the charts and tables listed below is true and correct and such charts and tables may be offered in evidence on behalf of the defendants without further proof of the facts therein contained but subject to objection by either party by reason of competency, relevancy and materiality. The documents listed below are authenticated copies of what they purport to be and may be offered in evidence without further proof of authentication but subject to objection by plaintiff by reason of competency, relevancy and materiality, but plaintiff does not admit the truth of any information stated in said documents.

1) Table showing location of borrowers and number and percentage of total of direct and indirect loans of certain types of installment loans of First National outstanding as of August 15, 1961

2) Distribution of assets of private financial institutions 1900, 1929, 1945 and 1958 for United States

3) Table showing dollar value of time and savings deposits of Lexington banks and savings or share accounts of Lexington Building and Savings and Loan Associations as of 6/30/61 and percentage of total held by each

4) Table showing dollar volume and percentage of real estate mortgage loans of each listed lending agency for the year June 1, 1960 to May 31, 1961, in Fayette County, Kentucky

712-306 O - 63 - 66

[1323]

5) Table showing dollar volume and percentage of chattel mortgage loans of each listed lending agency for the year July 1, 1959 to June 30, 1960 in Fayette County, Kentucky

6) List of cities in United States with population of 50,000 to 250,000 with number of banks with head offices (not including any branch offices of any banks) in each city and number of persons per such bank in each city indicated

7) Comparison of savings held by selected media

8) Table showing dollar volume and percentage of total dollar volume of loans to individuals to purchase private automobiles held by commercial banks and other lending agencies in Fayette County, Kentucky, as of December 31, 1960

9) Time and savings deposits table showing dollar value of time and savings accounts of Lexington banks and savings or share accounts of other institutions in Fayette County and percentage of total held by each as of 12/31/60 unless otherwise indicated

10) Table showing dollar volume and percentage of total dollar volume of real estate loans secured by mortgages on residences and insured by FHA or VA held by commercial banks and other lending agencies in Fayette County, Kentucky, as of December 31, 1960

11) Table showing dollar volume and percentage of total dollar volume of real estate loans secured by mortgages on residences (both insured and uninsured by FHA or VA) held by commercial banks and other lending agencies in Fayette County, Kentucky, as of December 31, 1960

12) Table showing dollar volume and percentage of total dollar volume of loans to farmers, secured and unsecured except loans secured by real estate held by commercial banks and other lending agencies in Fayette County, Kentucky, as of December 31, 1960

13) Table showing dollar volume and percentage of total dollar volume of real estate loans secured by mortgages on farms held by commercial banks and other lending agencies in Fayette County, Kentucky, as of December 31, 1960

14) Mortgage debt on non-farm homes, by type of lender (in millions of dollars)

15) Comparison of commercial growth in Lexington and Fayette County with growth of commercial banks from 1954 to 1958

[1324]

16) Survey of probate records of Fayette County Court as to number of court appointments and dollar volume of all estates that were administered by banks and by individuals each year, together with percentages as to each for the years 1940 through 1961

17) Survey of probate records of Fayette County Court as to number of court appointments and dollar volume of estates at $10,000 or more that were administered by banks and individuals each year, together with percentages as to each of the years 1940 through 1961

18) Table showing growth in total assets of State Banks in Kentucky as compared with growth of Savings and Loan Associations from 1950 to 1960

19) Table showing banks upon which rent checks are drawn in payment of rent by tenants of trust properties of First National and Security as of 3/1/61

20) Table showing where tenants or lessees of farms operated by Farm Division of Trust Department of First National maintained their checking accounts as of 3/29/61

21) Table showing dollar value of time and savings deposits of Lexington banks and savings or share accounts of Lexington Building and Savings and Loan Associations as of 12/31/61 and percentage of total held by each

22) Exhibit Consisting of three pages showing:

a) Total resources of each bank and percentage of total resources of all banks held by each bank in Chattanooga, Tennessee, at year end for the years 1945 to 1960

b) Total deposits of each bank and percentage of total deposits of all banks held by each bank in Chattanooga, Tennessee, at year end for the years 1945 to 1960

c) Total loans of each bank and percentage of total loans of all banks held by each bank in Chattanooga, Tennessee, at year end for the years 1945 to 1960

23) Tables and excerpts from Annual Report of the Federal Deposit Insurance Corporation for the year ended December 31, 1960

24) Excerpts from "Financing Small Business," Report by the Federal Reserve System to the Committee on Banking and Currency and the Select Committee on Small Busines, 85th Cong. 2d Sess. (April 11, 1958)

[1325]

25) Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington and First Security National Bank and Trust Company of Lexington as Guardian, committee, and curator for the years 1940 - 1961, inclusive

26) Distribution of size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington and First Security National Bank and Trust Company of Lexington as executor, administrator and administrator w.w.a. for the years 1940 - 1961, inclusive

27) Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank and Trust Company of Lexington, and First Security National Bank and Trust Company of Lexington as trustee under will for years 1940 - 1961, inclusive

28) Study made by Office of the Comptroller of the Currency entitled "Comparison of Total Assets of Commercial Banks in Central Reserve and Reserve Cities with all Commercial Banks in the United States and Possessions June 29, 1946 and June 30, 1956."

29) Study made by Office of the Comptroller of the Currency as to banking concentration in cities of the United States of over 50,000 population

30) Listing by year, 1940 through 1961, inclusive, of individuals qualifying as Executor, Administrator with the will annexed, and Administrator where Fayette County Court required no bond

31) Deposits of Chattanooga, Tennessee, banks, local deposits (excluding correspondent banks)

Lucy L Harrison

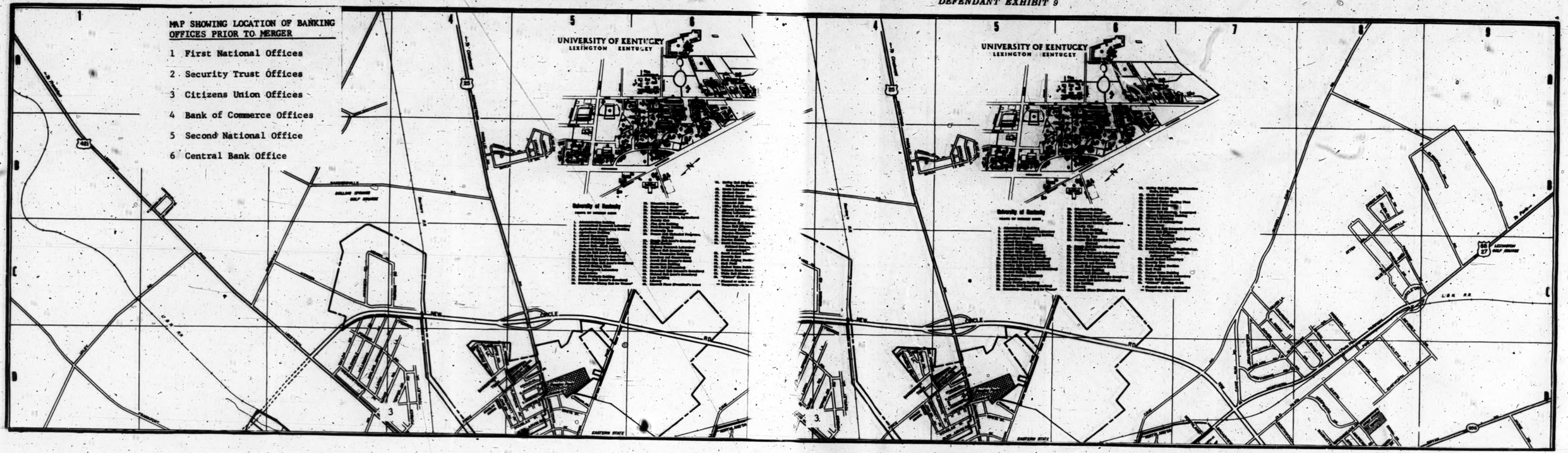
ATTORNEYS FOR PLAINTIFF

Gladney Hazelle Kenney Harrison

ATTORNEYS FOR DEFENDANTS

In United States District Court
DEFENDANT EXHIBIT 9

In United States District Court
DEFENDANT EXHIBIT 9



HOSPITAL
LEXINGTON CEMETERY
County Armory
City Jail
Stadium
R.R.
Rest Area
Rest Area
Rest Area
Rest Airport
to Frankfort
60
FAIR OAKS DR
SEVEN OAKS DR
LANE
LOUNTREATH DR
HEADLEY
ROAD
HEADLEY
ACADEMY GOLF COURSE
ALEXANDRIA DR
LANE ALLEN
SPRINGHURST DR
LONGVIEW
ROSEVILLE DR
SOUTH RIDGE
MITCHELL
LAFAYETTE
TAFT
LAFAYETTE SCHOOL
Kentucky Racing Horse Breeders Association FAIR GROUND
CROSS RD
LAFAYETTE
TRANSCRIPT PK
GAZETTE PK
COURIER PK
STATE
UNIVERSITY
WALLER
FOREST PK
FLORAL PL
DANTELER
BARDSTOWN
UNIVERSITY OF KENTUCKY
KENTUCKY EXPERIMENT STATION FARM
452
3
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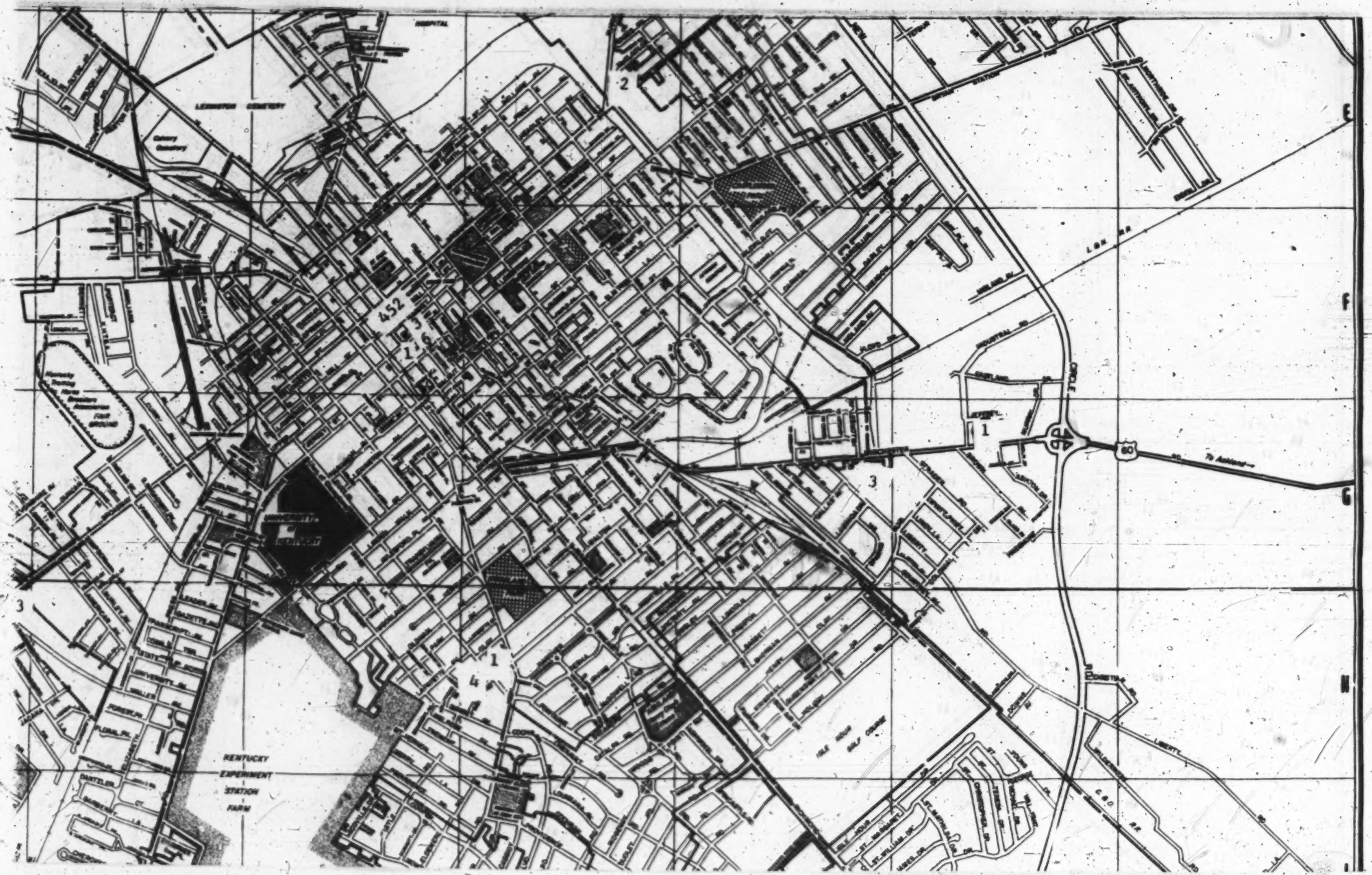
4


LEXINGTON CEMETERY
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KENTUCKY EXPERIMENT STATION FARM
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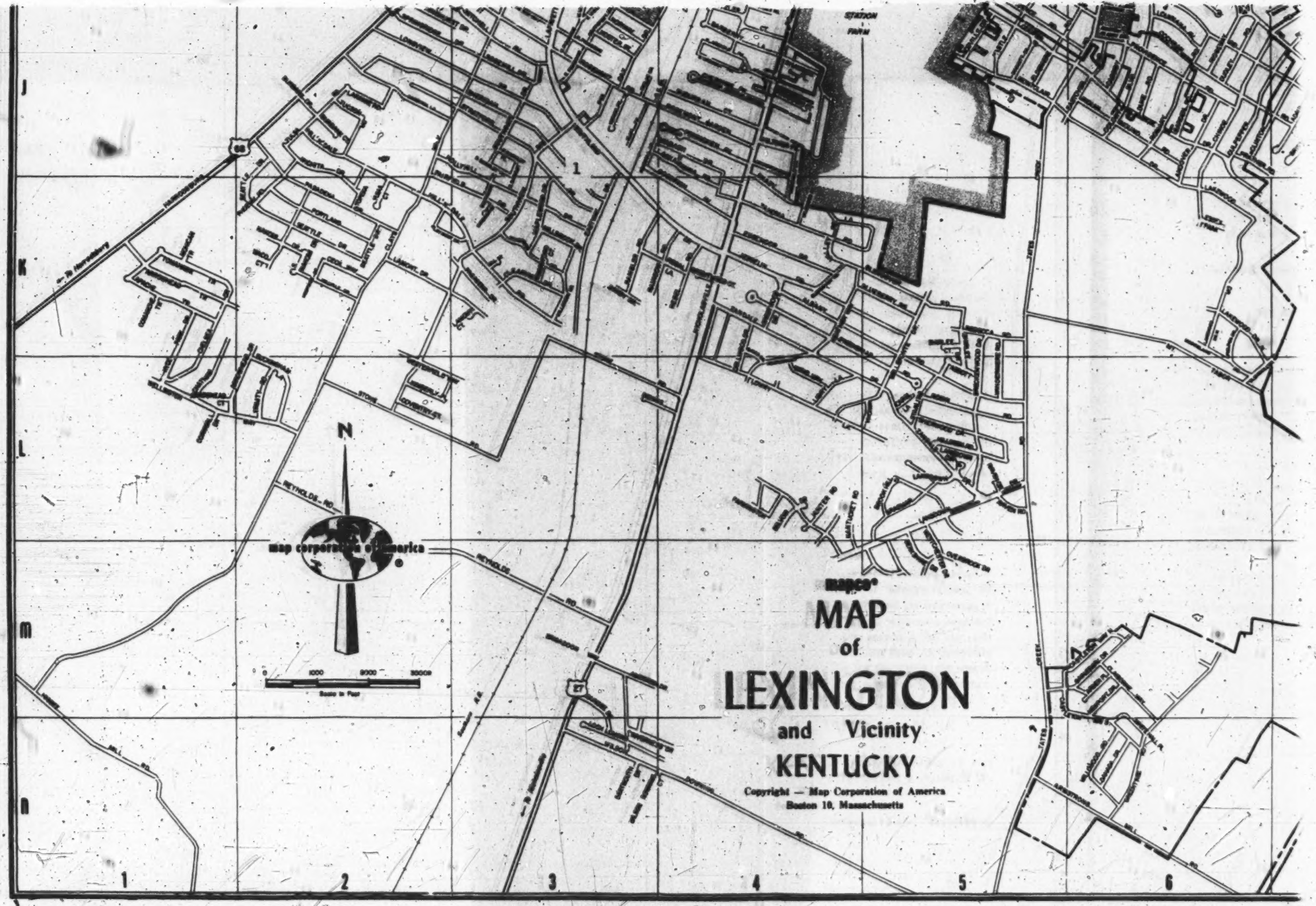

712-306 O - 63 (Face p. 1024) No. 1

mapco®

MAP of LEXINGTON and Vicinity KENTUCKY

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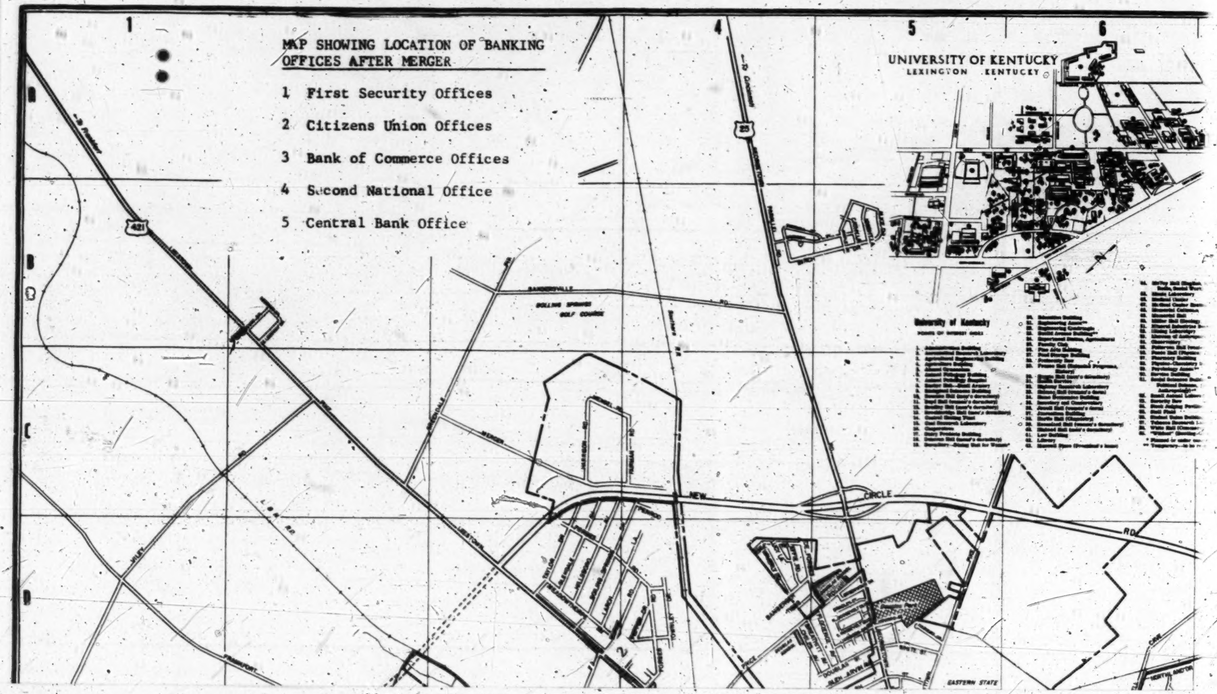
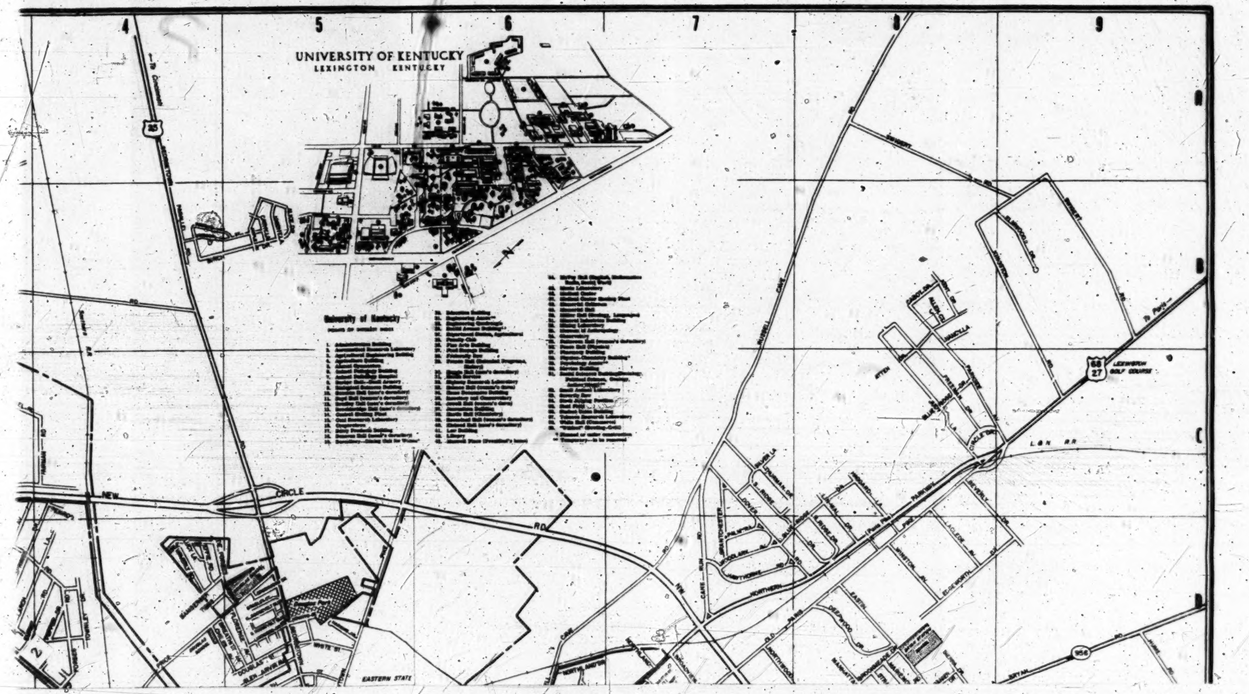
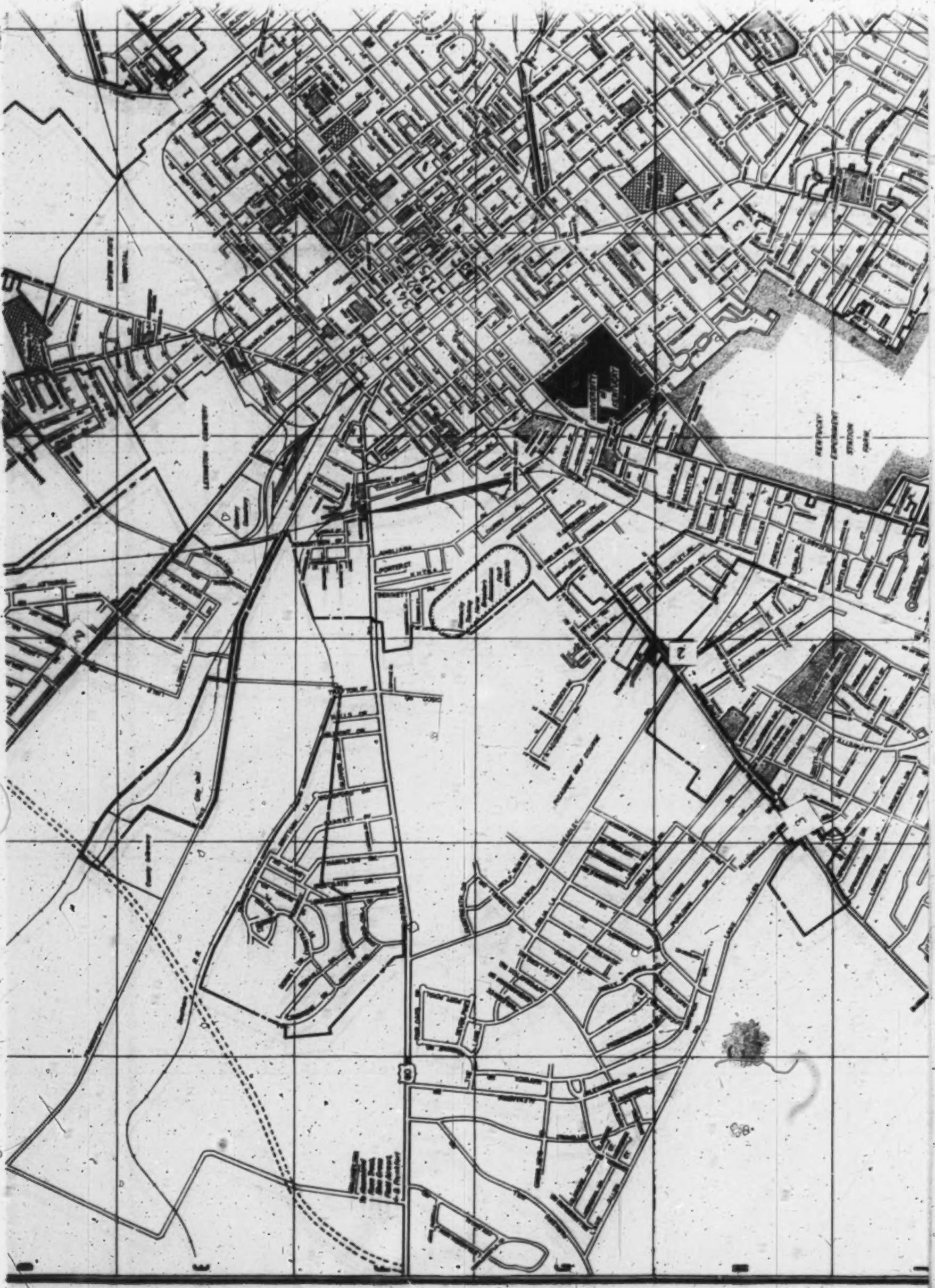
Boston 10, Massachusetts

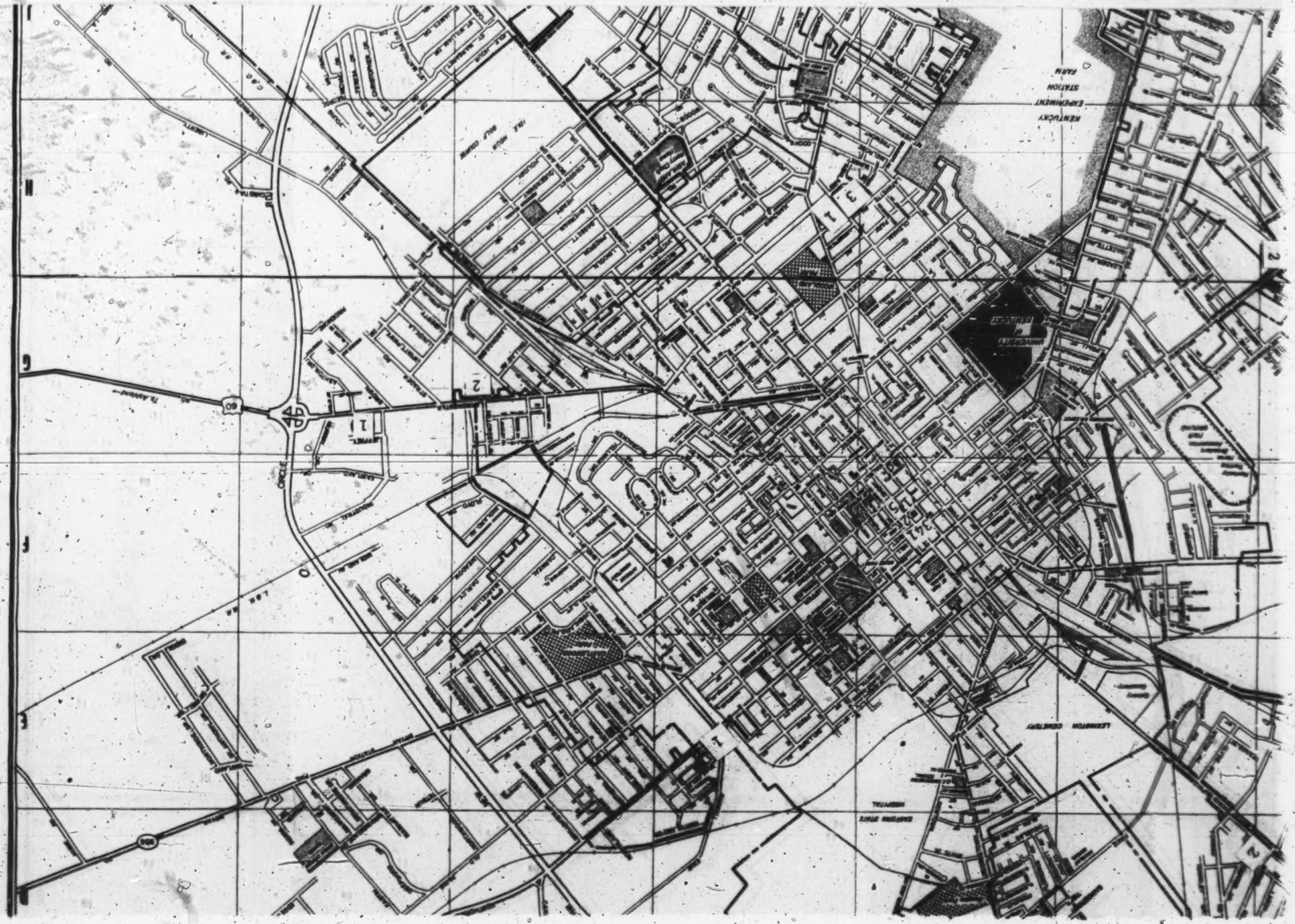
In United States District Court
DEFENDANT EXHIBIT 10



In United States District Court
DEFENDANT EXHIBIT 10






KENTUCKY
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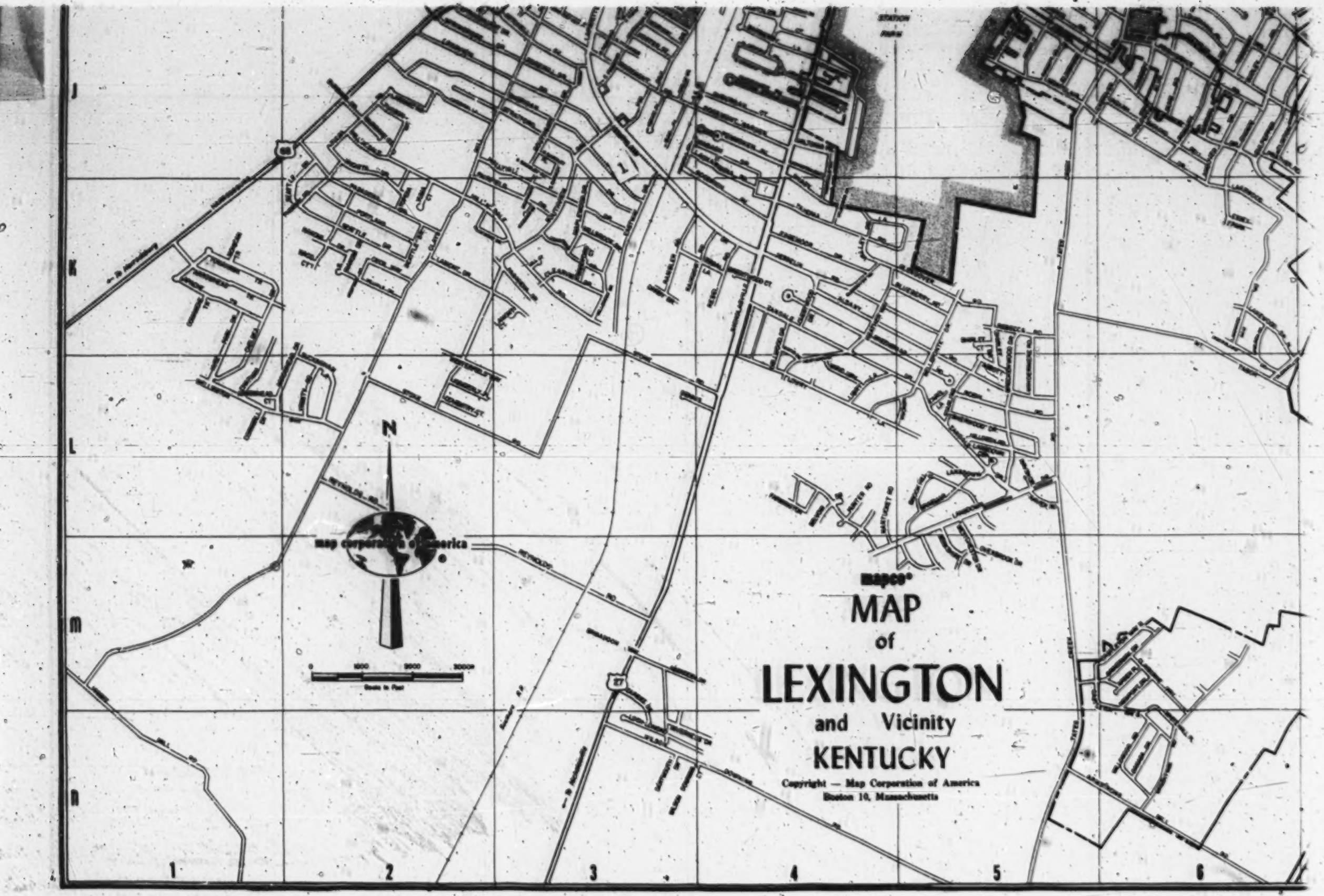
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MAP
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MAP of LEXINGTON and Vicinity KENTUCKY

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Boston 10, Massachusetts

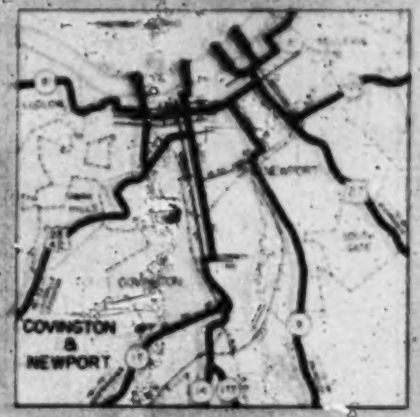
KENTUCKY CITIES AND TOWNS

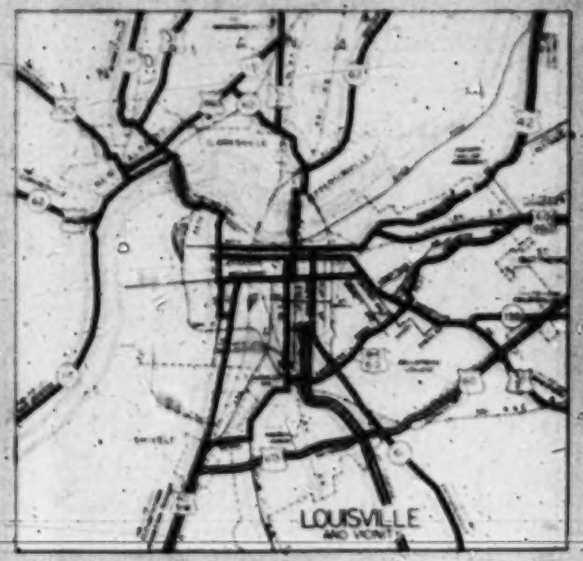
*Indicates County Seat

Population From 1980 U. S. Census: 3,660,256 State Capital: Frankfort

Area: 40,395 Square Miles Key Guide Indicates Location On Map

Adairville, 869—E-6
*Albany, 1,887—G-6
*Alexandria, 1,818—H-7
Allen, 276—J-6
Allensville, 106—H-6
Anchorage, 1,979—J-3
Arlington, 364—E-6
Ashland, 31,233—J-5
Auburn, 1,613—E-6
Augusta, 1,490—H-3
*Barbourville, 3,211—J-6
Bardstown, 6,398—G-4
*Bardwell, 1,667—D-2
Baxter, 701—H-5
*Beattyville, 1,054—J-4
Beaver Dam, 1,640—E-4
*Bedford, 777—G-2
Bellevue, 9,339—H-1
Benham, 1,074—J-5
*Benton, 3,656—C-6
Berea, 4,302—H-4
Berry, 230—H-2
Beversdell, 964—G-3
*Booneville, 143—J-4
*Bowling Green, 39,326—E-5
Bradfordsville, 387—G-4
*Brandenburg, 1,542—F-3
Bradford, 725—H-4
Bromley, 900—G-2
*Brooksville, 681—H-2
Brownsville, 497—E-5
Buffalo, 301—H-6
Burgin, 879—G-4
*Burkesville, 1,688—G-6
*Burlington, 3,116—H-1
Burnside, 375—H-5
Butler, 650—H-1
*Cadiz, 1,900—C-5
*Calhoun, 87—D-4
Calvert City, 1,366—C-5
Camp Nelson, 500—G-3
*Campbellsville, 4,966—G-4
*Campton, 604—J-4
Caneyville, 270—E-4
*Carlisle, 1,888—H-2
*Carrollton, 3,210—G-2
*Catlettsburg, 3,876—J-2
Cave City, 1,419—F-5
Cawthorn, 327—D-4
Central City, 3,604—D-5
Clarkson, 649—E-4
Clay, 1,343—C-4
*Clinton, 1,647—B-6
Cloverport, 1,334—E-3
*Columbia, 2,295—G-5
Columbus, 257—A-6
Concord, 85—J-2
Corbin, 7,119—H-5
Corinth, 256—H-2
Corydon, 766—C-4
Covington, 60,376—H-1
Crab Orchard, 868—H-4
Crofton, 892—D-5
Cumberland, 4,271—J-5
*Cynthiana, 5,641—H-2
*Danville, 9,810—G-4
Dawson Springs, 3,002—C-5
Dayton, 9,850—H-1
Dexter, 250—C-6
*Dixon, 561—C-4
Dover, 788—E-2
Drakesboro, 833—D-5
Dry Ridge, 882—H-2
Earlington, 2,706—C-5
*Eddyville, 1,858—C-5
Edmonton, 748—F-6
Elizabethtown, 8,643—F-4
*Elkton, 1,998—D-5
Elsmere, 9,352—H-1
Eminence, 1,500—F-3
Erlanger, 19,736—H-1
Evarts, 1,200—J-6
*Falmouth, 2,811—H-2
Farmers, 400—J-6
Ferguson, 1,000—G-6
Flatwoods, 8,361—J-2
Flemingsburg, 2,900—H-3
Florence, 15,000—H-1
Fordsville, 300—E-4
Fort Mitchell, 8,000—H-1
Fort Thomas, 16,000—H-1
Fort Wright, 5,000—H-1
Frankfort, 25,973—G-3
*Franklin, 7,000—F-6
Fredonia, 600—D-5
*Fulton, 3,000—B-6
Gamaliel, 1,000—F-6
Georgetown, 11,000—G-3
Ghent, 1,000—H-2
Glasgow, 12,000—F-5
Glencoe, 1,000—H-3
Grayson, 3,000—J-4
Greenup, 1,000—J-2
Greenville, 4,000—E-5
Guthrie, 1,000—D-6
Hanson, 1,000—D-5
Hardin, 1,000—C-6
Hardinsburg, 2,000—F-3
Harlan, 3,000—J-6
Harrodsburg, 7,000—G-3
Hartford, 2,000—E-4
Hawesville, 1,000—E-3
Hazard, 5,000—J-5
Hazel, 1,000—C-6
Hebron, 1,000—H-1
Henderson, 25,000—D-3
Hickman, 2,000—C-6
Hindman, 1,000—J-5
Hodgenville, 2,000—F-4
Hopkinsville, 25,000—E-6
Horse Cave, 2,000—F-5
Hyden, 1,000—J-6
Independence, 1,000—H-1
Ivel, 1,000—J-6
Irvine, 3,000—J-4
Irvington, 2,000—E-3
Island, 1,000—D-4
Jackson, 2,000—J-4
Jamestown, 2,000—G-5
Jeffersontown, 2,000—H-3
Junction City, 2,000—G-4
Kevil, 1,000—B-5
Kuttawa, 1,000—C-5
LaCenter, 1,000—B-5
Lancaster, 3,000—G-4
Lawrenceburg, 2,000—G-3
Lebanon, 5,000—G-4
Lebanon Jct., 2,000—F-5
Leitchfield, 3,000—E-4
Lewisburg, 2,000—E-2
Lewisport, 1,000—E-3
Lexington, 225,000—H-3
Liberty, 2,000—G-5
Livermore, 2,000—D-4
Livingston, 1,000—H-5
London, 5,000—H-5
Lone Oak, 2,000—B-5
Louisa, 2,000—J-3
Louisville, 300,000—F-3
Ludlow, 5,000—H-1
Lynch, 3,000—J-5
McKee, 2,000—J-4
McRoberts, 2,000—J-5
Madisonville, 13,000—D-5
Manchester, 2,000—J-5
Marion, 2,000—C-4
Martin, 2,000—J-4
Mayfield, 10,000—B-6
Maysville, 5,000—J-2
Middlesboro, 12,000—J-6
Middletown, 2,000—F-3
Midway, 2,000—H-3
Monticello, 2,000—H-6
Morehead, 5,000—J-3
Morganfield, 2,000—D-3
Morgantown, 2,000—E-5
Mount Olivet, 2,000—H-2
Mount Sterling, 5,000—H-3
Mount Vernon, 2,000—H-5
Munfordville, 2,000—F-5
Murray, 10,000—C-6
Nebo, 1,000—D-5
Nelson, 2,000—F-4
Nicholasville, 5,000—G-3
Olive Hill, 2,000—J-3
Owensboro, 50,000—E-3
Owenton, 2,000—G-3
Owingsville, 2,000—H-3
Paducah, 30,000—B-5
Paintsville, 5,000—J-4
Paris, 8,000—H-3
Park City, 2,000—F-5
Pembroke, 2,000—E-6
Perryville, 2,000—G-4
Pewee Valley, 2,000—F-3
Pikeville, 5,000—K-4
Pineville, 2,000—J-6
Plummers, 2,000—J-4
Prestonsburg, 3,000—J-4
Prestonville, 2,000—G-2
Princeton, 5,000—C-5
Providence, 2,000—C-4
Raceland, 2,000—J-2
Ravenna, 2,000—J-4
Richmond, 20,000—H-4
Rochester, 2,000—E-5
Rockport, 2,000—D-5
Rumsey, 2,000—D-4
Russell, 2,000—J-2
Russell Springs, 2,000—G-5
Russellville, 5,000—E-6
Sacramento, 2,000—D-4
Sadieville, 2,000—H-3
St. Charles, 2,000—E-6
St. Matthews, 2,000—F-3
Salt Lick, 2,000—J-3
Salyersville, 2,000—J-4
Sanders, 2,000—G-2
Sandy Hook, 2,000—J-3
Science Hill, 2,000—H-5
Scottsville, 2,000—F-6
Sebree, 2,000—D-4
Seco, 2,000—J-5
Shelbyville, 2,000—G-3
Shepherdsville, 2,000—F-3
Shively, 15,000—F-3
Simpsonville, 2,000—G-3
Smithfield, 2,000—G-2
Smithland, 2,000—B-5
Smith's Grove, 2,000—F-5
Somerset, 2,000—H-5
Sonora, 2,000—F-4
Sparta, 2,000—G-2
Springfield, 2,000—G-4
Stanford, 2,000—H-4
Stanton, 2,000—J-3
Stamping Ground, 2,000—H-3
Sturgis, 2,000—C-4
Taylorsville, 2,000—G-3
Tompkinsville, 2,000—F-6
Trenton, 2,000—D-6
Uniontown, 2,000—C-4
Upton, 2,000—F-4
Vanceburg, 2,000—J-2
Van Lear, 2,000—J-4
Versailles, 2,000—H-3
Vine Grove, 2,000—F-4
Walton Creek, 2,000—J-3
Watson, 2,000—H-1
Warfield, 2,000—K-2
Warsaw, 2,000—G-1
Water Valley, 2,000—E-4
Waverly, 2,000—C-4
Wayland, 2,000—J-4
Wellington, 2,000—J-3
West Liberty, 2,000—J-3
Whitesburg, 2,000—J-6
Whitley City, 2,000—H-6
Wickliffe, 2,000—B-6
Williamsburg, 2,000—H-6
Williamstown, 2,000—G-3
Wilmore, 2,000—H-3
Winchester, 2,000—H-3
Worthington, 2,000—J-3





Legend

HARD SU
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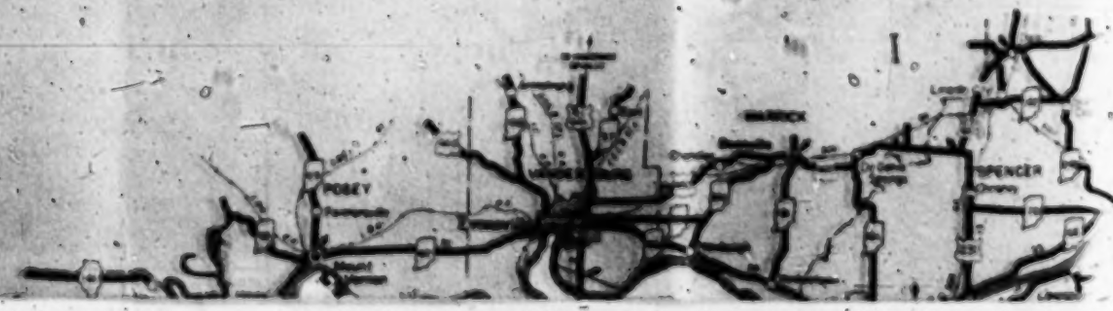
GRADED
UNIMPRO
FOUR LA
FOUR LA
60 U.S. ROUT
32 STATE RO
ROADSIDE

TB-TOLL BRIDGE, TF-TOLL FERRY
Mileage is indicated by numerals along roa
Symbols thus

APPROXIMATE SCALE 1 INCH



In United States District Court
DEFENDANT EXHIBIT 11

Defendant EXHIBIT 11
MAP SHOWING IDENTITY AND LOCATION OF CORRESPONDENT BANKS OF FIRST NATIONAL AS OF DECEMBER 31, 1960

1961

OFFICIA

KENTUCK

DEPARTMENT OF HIGHWAY

Road Map

DISTRIBUTED BY
DIVISION OF TOURIST AND TRAVEL PROMOTION
DEPARTMENT OF PUBLIC INFORMATION
FRANKFORT, KENTUCKY

Legend

- HARD SURFACE
- GRAVEL OR EQUIVALENT
- GRADED EARTH
- UNIMPROVED
- FOUR LANES DIVIDED
- FOUR LANES UNDIVIDED
- 60 U.S. ROUTE MARKER
- 32 STATE ROUTE MARKER
- ROADSIDE PARK

T.B.-TOLL BRIDGE, T.F.-TOLL FERRY, FF-FREE FERRY
Mileage is indicated by numerals along roads between arrows
Symbols, thus

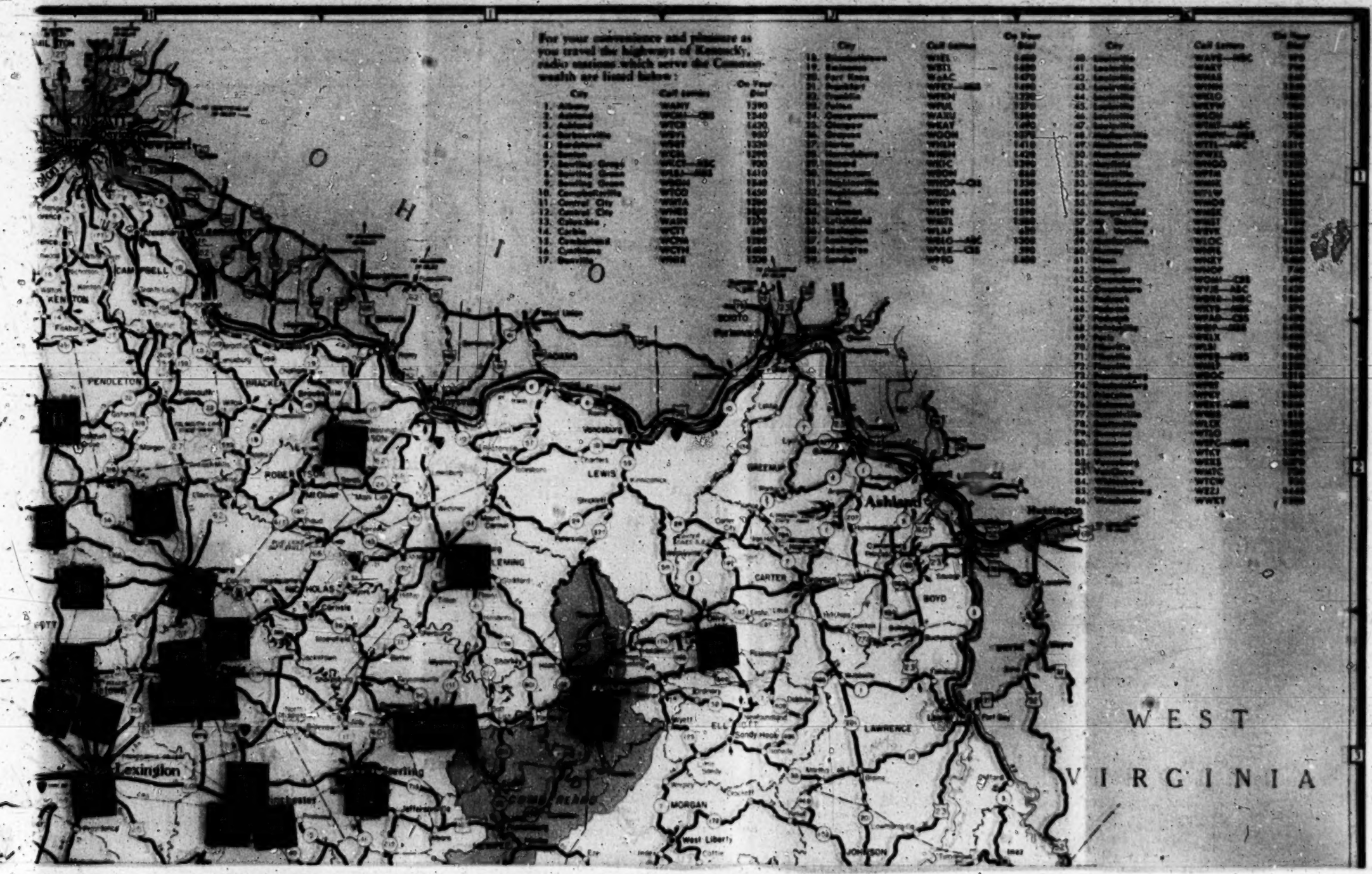
APPROXIMATE SCALE 1" = 12 MILES

Louisville
Lexington
Newport
Covington
Crestwood
Shelbyville
Frankfort
Harrodsburg
Danville
Nicholasville
Paris
Georgetown
Carrollton
Owenton
Falmouth
Maysville
Vanceburg
Ashland
Grayson
Olive Hill
Morehead
Flemingsburg
Mt. Sterling
Winchester
Richmond
Berea
Somerset
London
Corbin
Barbourville
Pineville
Middlesboro
Harlan
Hazard
Whitesburg
Jackson
Irvine
Booneville
Beattyville
Campbellsville
Columbia
Liberty
Russell Springs
Jamestown
Monticello
Burkesville
Glasgow
Cave City
Bowling Green
Franklin
Scottsville
Elkton
Hopkinsville
Cadiz
Eddyville
Princeton
Madisonville
Greenville
Central City
Owensboro
Hartford
Beaver Dam
Morgantown
Elizabethtown
Leitchfield
Hardinsburg
Irvington
Cloverport
Brandenburg
Shepherdsville
West Point
Taylorsville
Bardstown
Springfield
Lebanon
Harrodsburg
Versailles
Midway
Georgetown
Frankfort
Shelbyville
Crestwood
Pewee Valley
Anchorage
Middletown
Jeffersontown
Fern Creek
Mount Washington
Mount Eden
Taylorsville
Bardstown
Springfield
Lebanon
Harrodsburg
Versailles
Midway
Georgetown
Frankfort
Shelbyville
Crestwood
Pewee Valley
Anchorage
Middletown
Jeffersontown
Fern Creek
Mount Washington
Mount Eden
Taylorsville
Bardstown
Springfield
Lebanon
Harrodsburg
Versailles
Midway
Georgetown
Frankfort
Shelbyville
Crestwood
Pewee Valley
Anchorage
Middletown
Jeffersontown
Fern Creek
Mount Washington
Mount Eden

For your convenience and pleasure as you travel the highways of Kentucky, radio stations which serve the Commonwealth are listed below:

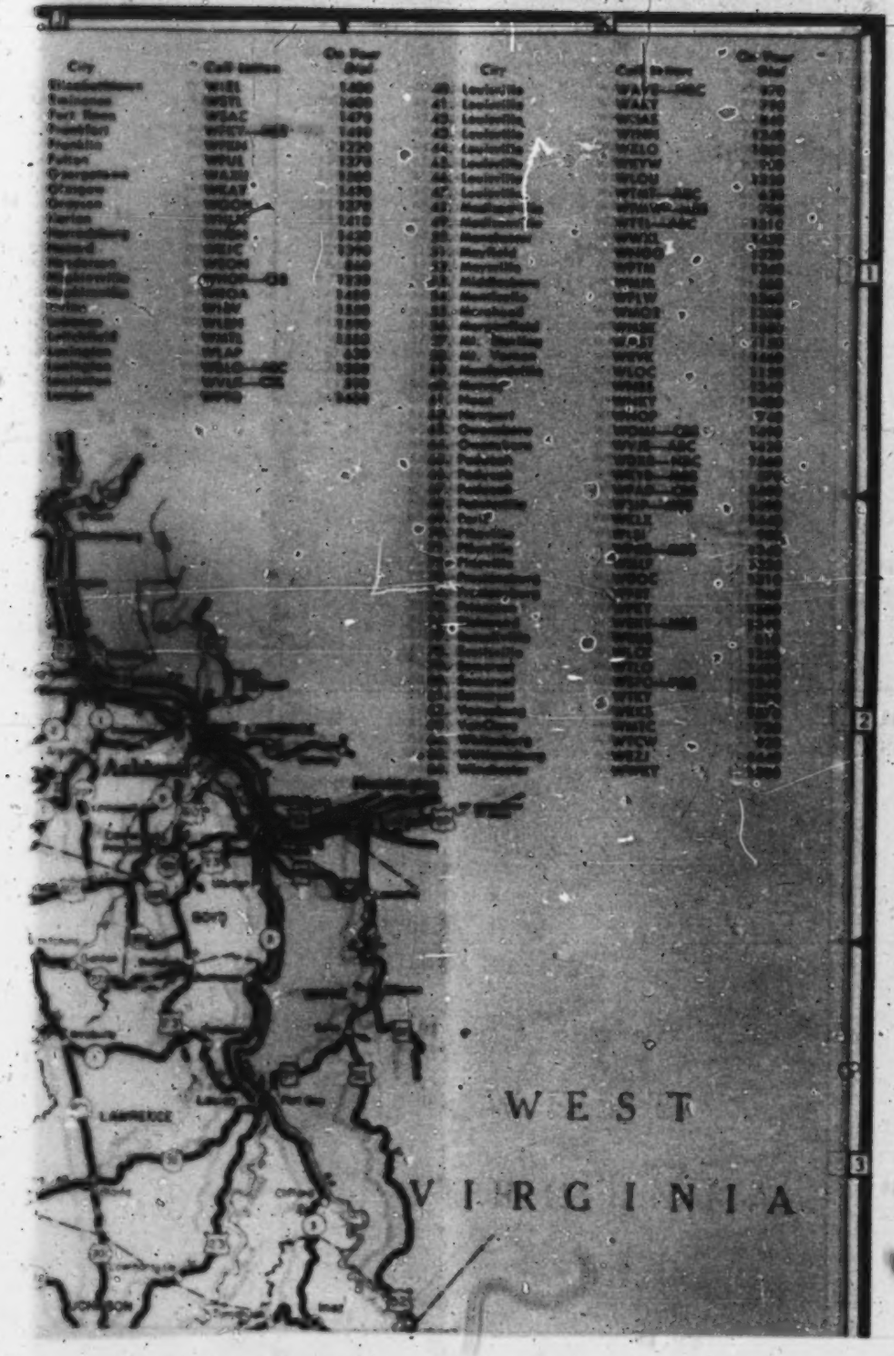
	City	Call Letters	On Your Dial
1.	Albany	WANY	1390
2.	Ashland	WCMI—CBS	1340
3.	Ashland	WTCR	1430
4.	Barbourville	WSVL	930
5.	Bardstown	WBRT	1320
6.	Benton	WCBL	1290
7.	Bowling Green	WKCT—ABC	930
8.	Bowling Green	WLBJ—CBS	1410
9.	Bowling Green	WBGN	1340
10.	Campbellsville	WTCO	1450
11.	Central City	WKYA	1280
12.	Central City	WNES	1580
13.	Columbia	WAIN	1270
14.	Corbin	WCTT	680
15.	Cynthiana	WCNN	1350
16.	Cynthiana	WCTH	1400
17.	Danville	WHIR	1300
18.	Elizabethtown	WTCL	1480
19.	Eminence	WEIL	1480
20.	Fort Knox	WAAC	1470
21.	Frankfort	WFKY—CBS	1490
22.	Franklin	WFSN	1230
23.	Fulton	WFUL	1370
24.	Georgetown	WAXU	1360
25.	Glasgow	WKAY	1490
26.	Greenup	WGOH	1370
27.	Harlan	WHLN	1410
28.	Harrodsburg	WHBN	1420
29.	Hazard	WKIC	1390
30.	Henderson	WSON	860
31.	Hopkinsville	WHOP—CBS	1330
32.	Hopkinsville	WKDA	1480
33.	Irvine	WIEV	1380
34.	Jackson	WLBN	1390
35.	Lexington	WVLK	1300
36.	Lexington	WLAP	630
37.	Lexington	WKQQ—ABC	1300
38.	Lexington	WVLK—CBS	590
39.	London	WFTG	1400

	City	Call Letters	On Your Dial
40.	Louisville	WAVE—NBC	970
41.	Louisville	WAKY	790
42.	Louisville	WHAS	840
43.	Louisville	WINN	1050
44.	Louisville	WKLO	1080
45.	Louisville	WKYW	900
46.	Louisville	WLOU	1310
47.	Louisville	WTMT—ABC	950
48.	Madisonville	WTMT—ABC	790
49.	Madisonville	WTVL—ABC	1310
50.	Manchester	WWGO	1350
51.	Marion	WMTR	1360
52.	Maysville	WMAS	1240
53.	Middlesboro	WFTM	1360
54.	Morehead	WINDR	1280
55.	Morehead	WMOR	1290
56.	Morganfield	WMGR	1280
57.	Mt. Sterling	WMST	1240
58.	Mt. Vernon	WYMZ	1450
59.	Murray	WNBS	1150
60.	Murray	WNGY	1360
61.	Nazareth	WNOP	730
62.	Owensboro	WOMI—CBS	1490
63.	Owensboro	WVJS—ABC	1360
64.	Paducah	WKRO—NBC	1050
65.	Paducah	WKYQ—ABC	1270
66.	Paducah	WPAD—CBS	1480
67.	Paducah	WRKA—NBC	1240
68.	Paintsville	WSLK	1400
69.	Paris	WPLX	1400
70.	Pikeville	WPKE	1450
71.	Pikeville	WTCB—CBS	1260
72.	Pineville	WHLT	1310
73.	Prestonsburg	WDOC	1310
74.	Prestonsburg	WPRT	1340
75.	Princeton	WPKY	1340
76.	Russellville	WKRS	1340
77.	Somerset	WMTC	1310
78.	Somerset	WTCW	950
79.	Somerset	WEZJ	1440
80.	Somerset	WWKY	1360
81.	Stanford		
82.	Vanceburg		
83.	Versailles		
84.	Williamsburg		
85.	Williamson		
86.	Winchester		

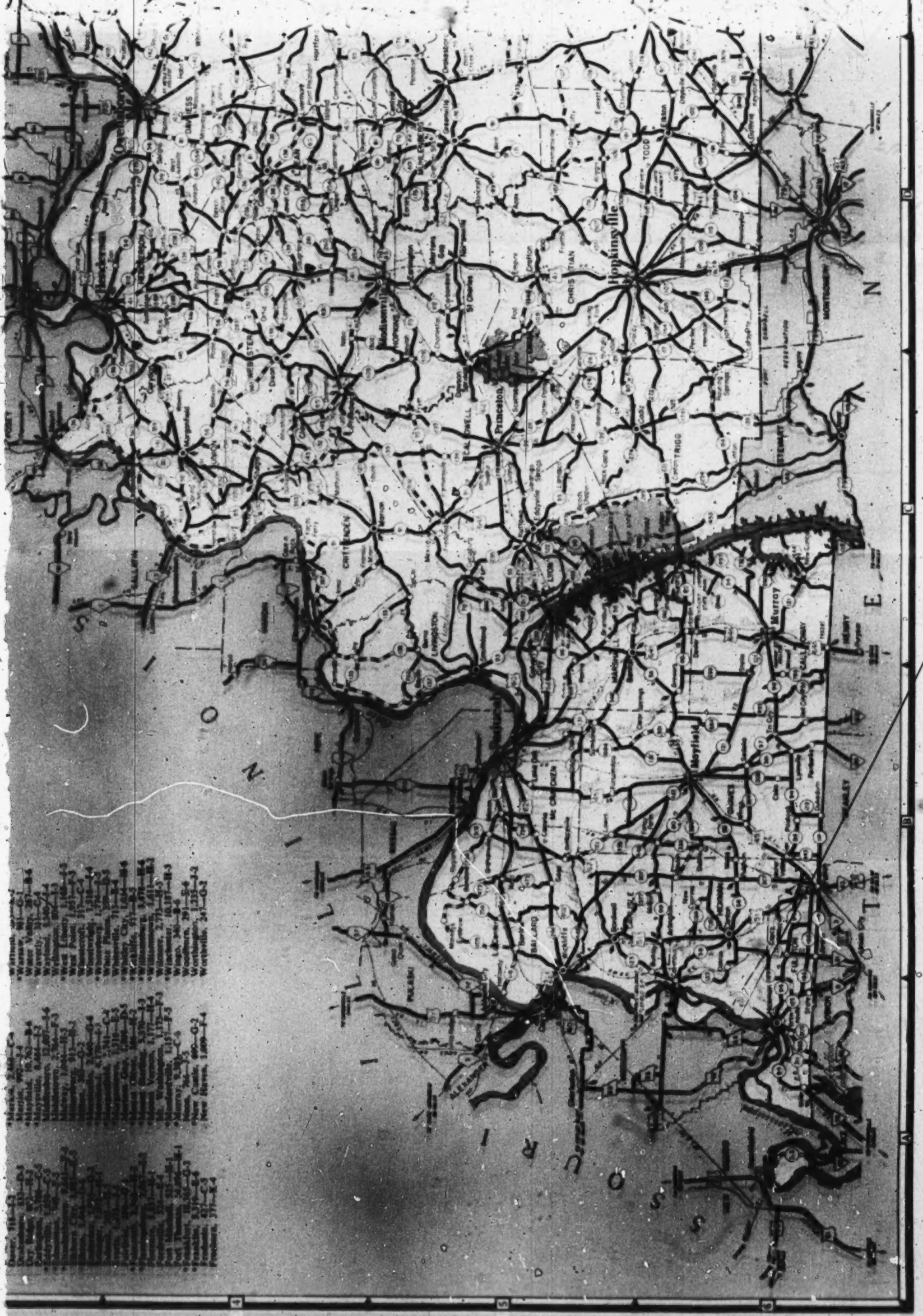


Name

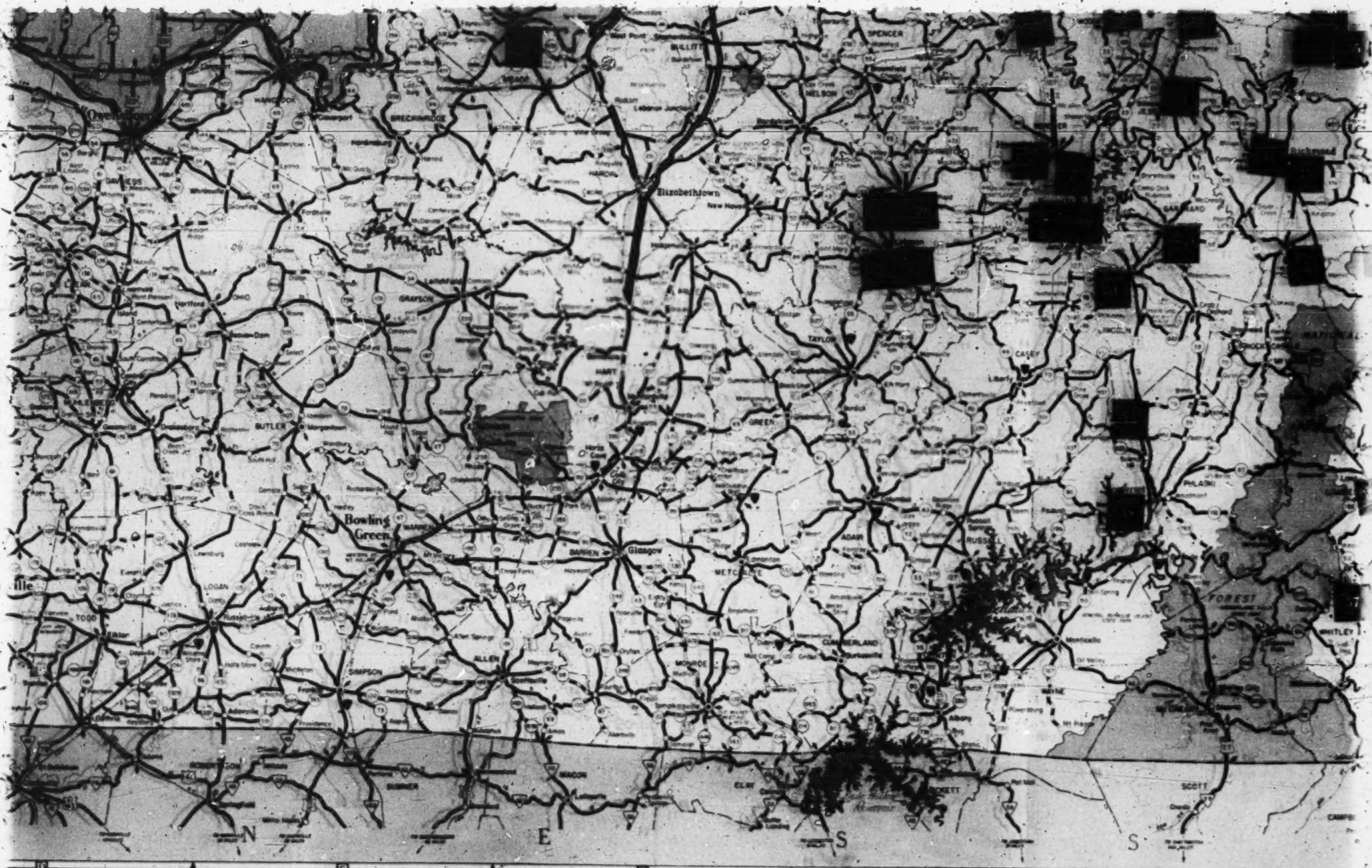
1- People's
2- Berea Ban
3- Union Ban
4- Farmers D
5- Citizens
6- Farmers &
7- Corinth D
8- The Harri
9- Citizens
10- Farmers N
11- Citizens
12- First Sta
13- People's
14- Farmers B
15- State Nat
16- Farmers B
17- Georgetow
18- Bank of G
19- Gratz Dep
20- State Ban
21- Peoples B
22- Bank of H
23- First Nat
24- The Natio
25- Anderson
26- Citizens
27- Farmers N



	Name of Bank	Location
1-	People's Exchange Bank	Beattyville, Kentucky
2-	Berea Bank & Trust Company	Berea, Kentucky
3-	Union Bank of Berry	Berry, Kentucky
4-	Farmers Deposit Bank	Brandenburg, Kentucky
5-	Citizens Bank & Trust Company	Burgin, Kentucky
6-	Farmers & Traders Bank	Campton, Kentucky
7-	Corinth Deposit Bank	Corinth, Kentucky
8-	The Harrison Deposit Bank	Cynthiana, Kentucky
9-	Citizens National Bank	Danville, Kentucky
10-	Farmers National Bank	Danville, Kentucky
11-	Citizens Bank	Dry Ridge, Kentucky
12-	First State Bank	Eubank, Kentucky
13-	People's Bank of Fleming County	Flemingsburg, Kentucky
14-	Farmers Bank & Capital Trust Company	Frankfort, Kentucky
15-	State National Bank	Frankfort, Kentucky
16-	Farmers Bank & Trust Company	Georgetown, Kentucky
17-	Georgetown National Bank	Georgetown, Kentucky
18-	Bank of Germantown	Germantown, Kentucky
19-	Gratz Deposit Bank	Gratz, Kentucky
20-	State Bank & Trust Company	Harrodsburg, Kentucky
21-	Peoples Bank	Hazard, Kentucky
22-	Bank of Hindman	Hindman, Kentucky
23-	First National Bank	Jackson, Kentucky
24-	The National Bank of Lancaster	Lancaster, Kentucky
25-	Anderson National Bank	Lawrenceburg, Kentucky
26-	Citizens National Bank	Lebanon, Kentucky
27-	Farmers National Bank	Lebanon, Kentucky



712-306 O - 63 (Face p. 1024) No. 3


Elizabethtown
Bowling Green
Glasgow
BUTLER
GRAYSON
BARREN
METCALFE
SIMPSON
ALLEN
TAYLOR
GREEN
CASEY
LINCOLN
PULASKI
RUSSELL
CUMBERLAND
CLAY
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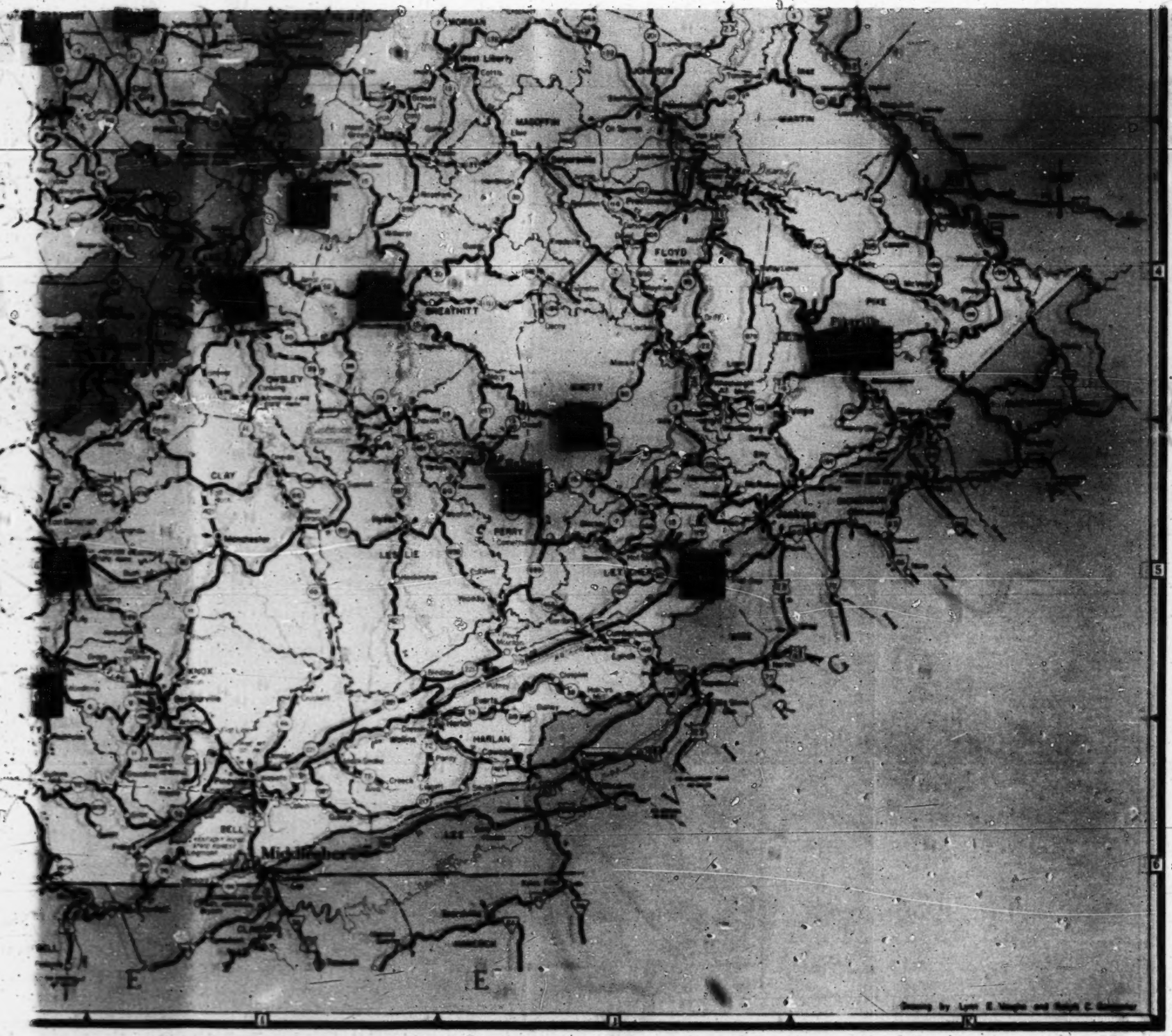
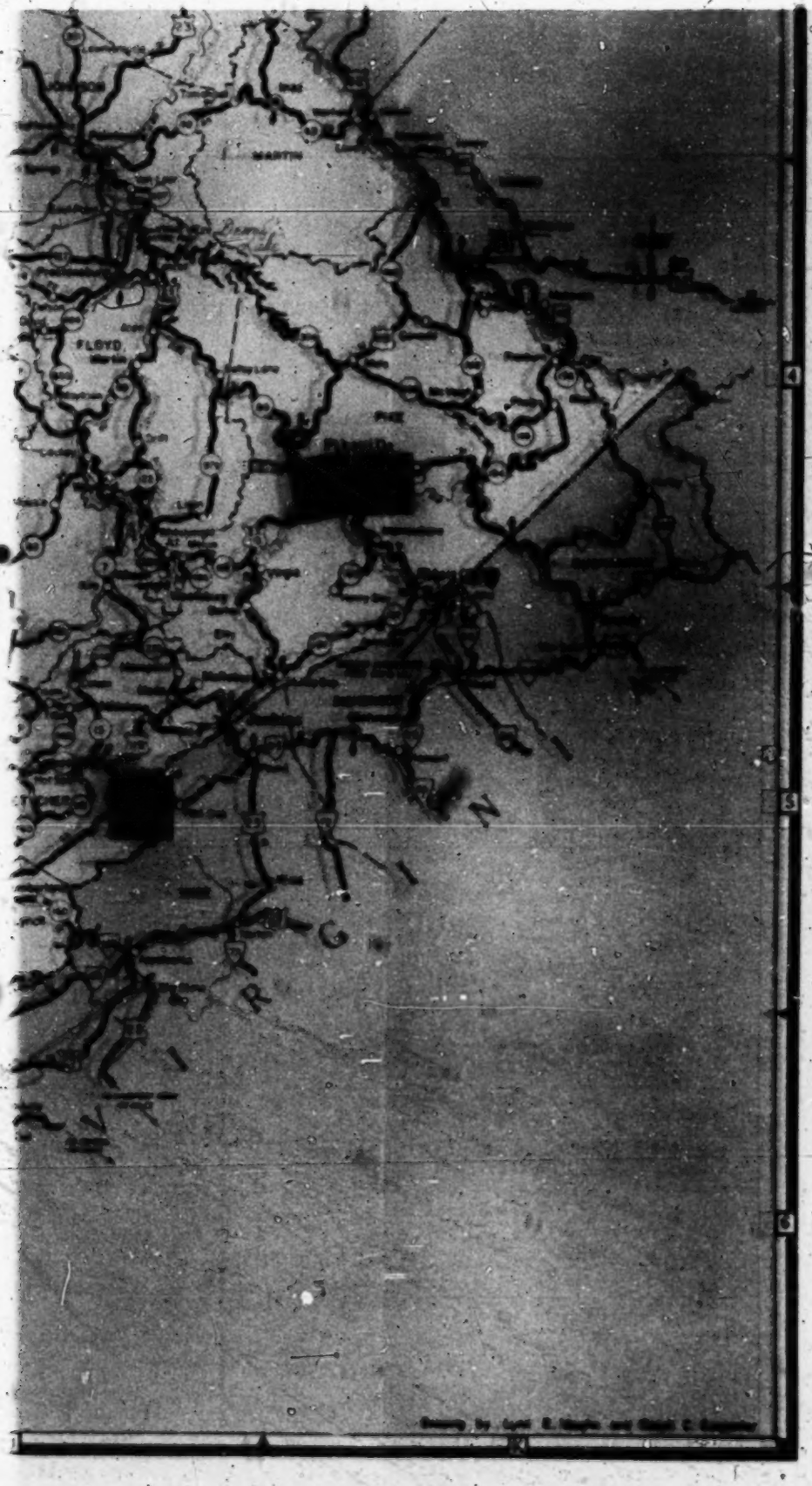


24- The National Bank of Lancaster
25- Anderson National Bank
26- Citizens National Bank
27- Farmers National Bank
28- Central Bank
29- Second National Bank
30- Farmers Exchange Bank
31- First State Bank
32- The Citizens Bank
33- Montgomery National Bank
34- Farmers Bank
35- Peoples Bank
36- First National Bank
37- Farmers Bank
38- Owingsville Banking Company
39- Bourbon Agricultural Bank & Trust
40- National Bank and Trust Company
41- Peoples Deposit Bank & Trust Com
42- Citizens Bank
43- Pikeville National Bank & Trust C
44- Madison National Bank
45- State Bank & Trust Company
46- Farmers Deposit Bank
47- Farmers & Traders Bank
48- First & Farmers National Bank
49- First and Peoples Bank
50- Springfield State Bank
51- Lincoln County National Bank
52- Woodford Bank & Trust Company
53- Bank of Whitesburg
54- Clark County National Bank
55- Commercial Bank
56- Winchester Bank
57- First National Bank
58- First National Bank



24-	The National Bank of Lancaster	Lancaster, Kentucky
25-	Anderson National Bank	Lawrenceburg, Kentucky
26-	Citizens National Bank	Lebanon, Kentucky
27-	Farmers National Bank	Lebanon, Kentucky
28-	Central Bank	Lexington, Kentucky
29-	Second National Bank	London, Kentucky
30-	Farmers Exchange Bank	Millersburg, Kentucky
31-	First State Bank	Monterey, Kentucky
32-	The Citizens Bank	Morehead, Kentucky
33-	Montgomery National Bank	Mt. Sterling, Kentucky
34-	Farmers Bank	Nicholasville, Kentucky
35-	Peoples Bank	Olive Hill, Kentucky
36-	First National Bank	Owenton, Kentucky
37-	Farmers Bank	Owingsville, Kentucky
38-	Owingsville Banking Company	Owingsville, Kentucky
39-	Bourbon Agricultural Bank & Trust Co.	Paris, Kentucky
40-	National Bank and Trust Company	Paris, Kentucky
41-	Peoples Deposit Bank & Trust Company	Paris, Kentucky
42-	Citizens Bank	Pikeville, Kentucky
43-	Pikeville National Bank & Trust Co.	Pikeville, Kentucky
44-	Madison National Bank	Richmond, Kentucky
45-	State Bank & Trust Company	Richmond, Kentucky
46-	Farmers Deposit Bank	Sadieville, Kentucky
47-	Farmers & Traders Bank	Shelbyville, Kentucky
48-	First & Farmers National Bank	Somerset, Kentucky
49-	First and Peoples Bank	Springfield, Kentucky
50-	Springfield State Bank	Springfield, Kentucky
51-	Lincoln County National Bank	Stanford, Kentucky
52-	Woodford Bank & Trust Company	Versailles, Kentucky
53-	Bank of Whitesburg	Whitesburg, Kentucky
54-	Clark County National Bank	Winchester, Kentucky
55-	Commercial Bank	Winchester, Kentucky
56-	Winchester Bank	Winchester, Kentucky
57-	First National Bank	Corbin, Kentucky
58-	First National Bank	Georgetown, Kentucky

[1329] *In United States District Court*
DEFENDANT EXHIBIT 12

NO. OF BANKING OFFICES IN
FAYETTE COUNTY, KENTUCKY

AS OF 12/31/60

BANK	HEAD OFFICE	NO. OF BRANCH OFFICES	TOTAL OFFICES	PERCENT OF TOTAL OFFICES
1 - First National	1	3	4	26.67
2 - Citizens Union	1	3	4	26.67
3 - Bank of Commerce	1	2	3	20.00
4 - Security Trust	1	1	2	13.33
5 - Central Bank	1	0	1	6.67
6 - Second National	1	0	1	6.67
Totals	6	9	15	100.01 %

AS OF 6/30/61

1 - First Security	1	5	6	40.00
2 - Citizens Union	1	3	4	26.67
3 - Bank of Commerce	1	2	3	20.00
4 - Central Bank	1	0	1	6.67
5 - Second National	1	0	1	6.67
Totals	5	10	15	100.01 %

[1332] *In United States District Court*

DEFENDANT EXHIBIT 15

ALTERNATIVE SOURCES FOR SECURED AND UNSECURED LOANS FROM COMMERCIAL BANKS LOCATED IN FAYETTE COUNTY KENTUCKY AS OF 6/30/61 ACCORDING TO LEGAL LENDING LIMITS

FOR SECURED LOANS

Size of Loan	No. of Banks that can Make Loan
a) Of $75,000 or less	5
b) Of more than $75,000 and up to $165,000	4
c) Of more than $165,000 and up to $250,000	3
d) Of more than $250,000 and up to $420,000	2
e) Of more than $420,000 and up to $500,000	1

FOR UNSECURED LOANS

Size of Loan	No. of Banks that can Make Loan
a) Of $75,000 or less	5
b) Of more than $75,000 and up to $110,000	4
c) Of more than $110,000 and up to $250,000	3
d) Of more than $250,000 and up to $280,000	2
e) Of more than $280,000 and up to $500,000	1

NOTE: The legal lending limits for each bank as of 6/30/61 was as follows:

Bank	Legal Lending Limit for Loans that are:	
	Secured	Unsecured
1) Second National	$75,000	$75,000
2) Central Bank	$165,000	$110,000
3) Citizens Union	$250,000	$250,000
4) Bank of Commerce	$420,000	$280,000
5) First Security	$500,000	$500,000

SOURCE: Published Statements of Condition of each bank as of 6/30/61 and the laws relating to lending limits according to capital and surplus of each bank.

[1333] *In United States District Court*

DEFENDANT EXHIBIT 16

NUMBER AND PERCENTAGE OF TOTAL LOANS BY SIZE OF LOANS OUTSTANDING OF CITIZENS UNION BANK AND TRUST COMPANY AS OF SEPTEMBER 19, 1961.

SIZE OF LOAN	NO. OF LOANS	PERCENTAGE OF TOTAL
a) Over $250,000	0	0000
b) Between $225,000 and $250,000	0	0000
c) Between $200,000 and $224,999	2	0013
d) Between $150,000 and $199,999	3	0020
e) Between $100,000 and $149,999	5	0033
f) Between $50,000 and $99,999	32	0210
g) Between $25,000 and $49,999	50	.0329
h) Less than $25,000	1,429	.9395
TOTALS	1,521	1.0000

Source: Data submitted by Ernest S. Clarke, President, Citizens Union Bank and Trust Company on deposition.

[1334] *In United States District Court*
DEFENDANT EXHIBIT 47

NUMBER AND PERCENTAGE OF TOTAL LOANS BY SIZE OF LOANS OUTSTANDING DURING 1960 OF TWO BANKS

SIZE OF LOANS	NO. OF LOANS	PERCENTAGE OF TOTAL
FIRST NATIONAL		
a) Over $250,000	0	0%
b) For $250,000	20	.0023%
c) Between $225,000 and $249,000	1	.0001%
d) Between $200,000 and $224,999	6	.0007%
e) Between $150,000 and $199,999	5	.0006%
f) Between $100,000 and $149,999	21	.0024%
g) Between $50,000 and 99,999	51	.0058%
h) Between $25,000 and $49,999	126	.0144%
i) Less than $25,000	8,535	9738%
Totals	8,765	10001 %
SECURITY TRUST COMPANY		
a) Over $250,000	3	.0023%
b) Between $225,000 and $249,000	0	.0000%
c) Between $200,000 and $224,999	2	.0015%
d) Between $150,000 and $199,999	1	.0008%
e) Between $100,000 and $149,999	4	.0030%
f) Between $50,000 and $ 99,999	21	.0159%
g) Between $25,000 and $ 49,999	45	.0341%
h) Less than $25,000	1,242	.9423%
Totals	1,318	* .9999%
FIRST NATIONAL & SECURITY COMBINED FOR 1960		
a) Over $250,000	3	.0003%
b) For $250,000	20	.0020%
c) Between $225,000 and $249,999	1	.0001%
d) Between $200,000 and $224,999	8	.0008%
e) Between $150,000 and $199,999	6	.0006%
f) Between $100,000 and $149,999	25	.0025%
g) Between $50,000 and $99,999	72	.0071%
h) Between $25,000 and $ 49,999	171	.0170%
i) Less than $25,000	9,777	.9697%
Totals	10,083	* 1.0001%

* Differences are due to rounding off percentages

[1335] *In United States District Court*

DEFENDANT EXHIBIT 18

SHARE OF DEPOSITS IN LOCAL COMMERCIAL BANKS HELD BY FIRST NATIONAL BANK AND BY SECURITY TRUST CO. AND THEIR COMBINED SHARE

At Year End 1935-1960

Year	First Nat'l Bk. & Tr. Co.	Security Trust Co.	Combined
1935	47.2	15.8	63.0
1936	50.0	15.4	65.4
1937	49.4	13.3	62.7
1938	50.2	13.8	64.0
1939	50.5	12.5	63.0
1940	49.8	12.2	62.0
1941	49.8	12.8	62.6
1942	53.7	11.5	65.2
1943	53.0	10.3	63.3
1944	52.9	9.7	62.6
1945	50.9	8.1	59.0
1946	43.7	9.7	53.4
1947	43.1	11.2	54.3
1948	41.0	13.2	54.2
1949	41.6	10.9	52.5
1950	40.4	13.2	53.6
1951	39.8	14.4	54.2
1952	39.6	13.5	53.1
1953	38.7	12.9	51.6
1954	39.1	15.2	54.3
1955	42.4	12.5	54.9
1956	45.3	10.4	55.7
1957	43.9	11.7	55.6
1958	41.7	12.0	53.7
1959	41.3	11.8	53.1
1960	40.1	11.9	52.0

SOURCE: Information for 1935 to 1951 from Polk's Bank Directories; for 1954 to 1960 from published call reports of condition.

[1336] *In United States District Court*

DEFENDANT EXHIBIT 19

SHARE OF TOTAL DEPOSITS IN LOCAL COMMERCIAL BANKS HELD BY CITIZENS BANK AND UNION BANK BEFORE CONSOLIDATION CITIZENS UNION BANK AFTER CONSOLIDATION

At Year End 1935-1960

Year	Citizens Bank & Trust Co.	Union Bank & Trust Co.	Combined
1935	4.9	8.6	13.5
1936	4.4	9.5	13.9
1937	5.1	8.8	13.9
1938	5.2	10.2	15.4
1939	5.2	9.9	15.1
1940	6.0	9.7	15.7
1941	6.2	9.2	15.4
1942	6.6	8.8	15.4
1943	8.1	7.6	15.7
1944	9.9	7.1	17.0
1945	11.0	8.0	19.0
1946	12.0	8.8	20.8
1947	12.1	7.8	19.9
1948	11.7	8.3	20.0
1949	12.0	7.7	19.7
1950	11.4	7.5	18.9
1951	11.1	7.3	18.4
1952	11.4	7.6	19.0
1953	11.8	8.3	20.1
1954			18.8
1955			19.5
1956			18.4
1957			17.8
1958			17.4
1959			17.0
1960			16.8

SOURCE: Information for 1935 to 1951 from Polk's Bank Directories; for 1952 to 1960 from published call reports of condition.

[1337] *In United States District Court*

DEFENDANT EXHIBIT 20

SHARE OF TOTAL BANK LOANS OF LOCAL COMMERCIAL BANKS HELD BY CITIZENS BANK AND UNION BANK BEFORE CONSOLIDATION CITIZENS UNION BANK AFTER CONSOLIDATION

At Year End 1935-1960

Year	Citizens Bank & Trust Co.	Union Bank & Trust Co.	Combined
1935	7.4	8.6	16.0
1936	7.6	10.2	17.8
1937	7.9	11.1	19.0
1938	7.8	13.4	21.2
1939	8.7	12.5	21.2
1940	8.4	12.8	21.2
1941	7.5	12.9	20.4
1942	7.3	12.8	20.1
1943	7.3	10.8	18.1
1944	8.7	10.6	19.3
1945	13.8	8.5	22.3
1946	14.7	11.1	25.8
1947	18.6	8.9	27.5
1948	17.1	6.3	23.4
1949	13.8	6.1	19.9
1950	11.6	5.8	17.4
1951	11.9	5.6	17.5
1952	13.1	6.2	19.3
1953	12.7	6.6	19.3
1954			16.8
1955			18.1
1956			17.3
1957			17.4
1958			16.8
1959			16.3
1960			16.4

SOURCE: Information for 1935 to 1951 from Polk's Bank Directories; for 1952 to 1960 from published call reports of condition.

[1338] *In United States District Court*

DEFENDANT EXHIBIT 21

SHARE OF ALL BANK LOANS HELD BY
ALL COMMERCIAL BANKS OF FIRST NATIONAL BANK
AND BY SECURITY TRUST CO. AND
THEIR COMBINED SHARE

At Year End 1935-1960

Year	First Nat'l Bk. & Tr. Co.	Security Trust Co.	Combined
1935	55.1	7.6	62.7
1936	56.8	5.7	62.5
1937	54.7	4.9	59.6
1938	51.6	5.4	57.0
1939	47.8	7.0	54.8
1940	47.2	8.6	55.8
1941	49.2	7.8	57.0
1942	47.5	7.5	55.0
1943	51.0	7.1	58.1
1944	50.5	5.8	56.3
1945	49.7	5.5	55.2
1946	44.3	2.8	47.1
1947	42.4	4.5	46.9
1948	38.7	4.9	43.6
1949	39.7	11.5	51.2
1950	40.5	13.6	54.1
1951	37.6	16.2	54.1
1952	37.0	15.8	52.8
1953	37.9	16.4	54.3
1954	36.6	16.4	53.0
1955	38.8	15.2	54.0
1956	40.2	16.5	56.7
1957	40.1	16.6	56.7
1958	38.2	17.2	55.4
1959	39.8	15.7	55.5
1960	40.2	14.0	54.2

SOURCE: Information for 1935 to 1951 from Polk's Bank Directories;
for 1952 to 1960 from Published Call Reports of Condition.

TOTAL DEPOSITS HELD BY ALL LEXINGTON BANKS

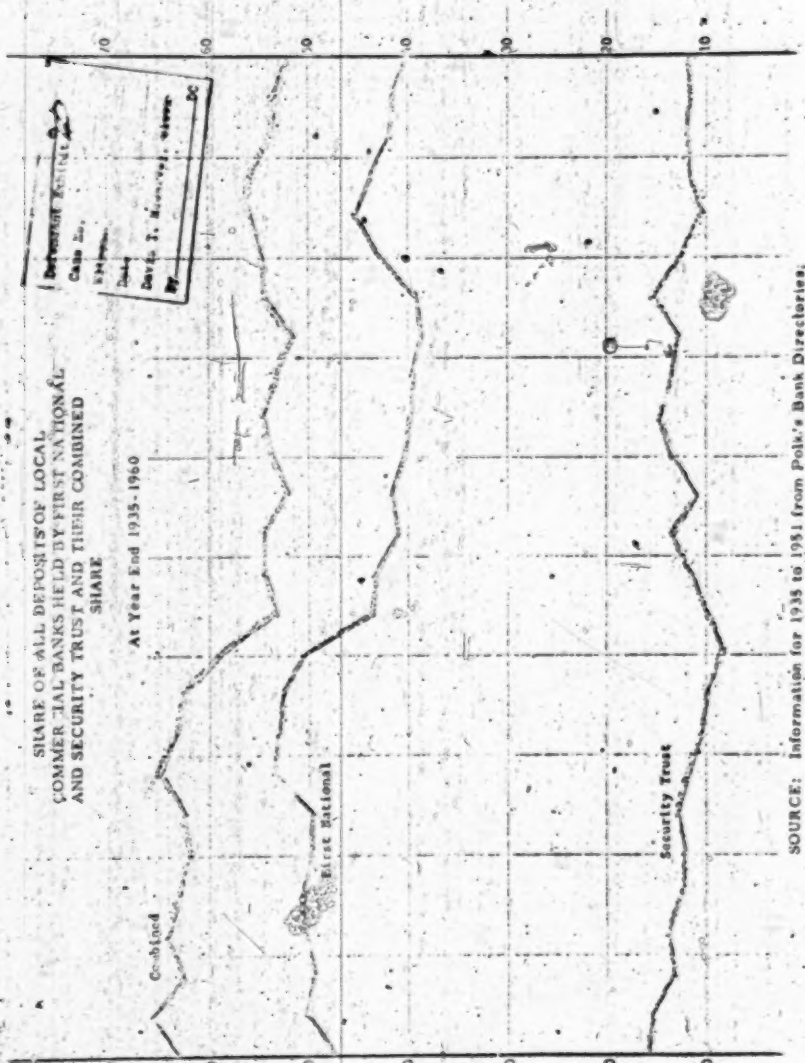
(In thousands of dollars) December 31, 1935-1960

Dec. 31	First Natl Bk & Tr Co. Amount	%	Citizens Bk & Tr Co. Amount	%	Union Bk & Tr Co. Amount	%	Security Trust Co. Amount	%	Bank of Commerce Amount	%	Second Natl Bank Amount	%	Central Bank Amount	%	All Banks	Dec. 31
1935	11 367	47.2	1 183	4.9	2 084	8.6	3 794	15.8	2 473	10.3	3 175	13.2			24 076	1935
1936	14 853	50.0	1 293	4.4	2 825	9.5	4 588	15.4	2 784	9.4	3 365	11.3			29 708	1936
1937	13 473	49.4	1 383	5.1	2 411	8.8	3 620	13.3	3 230	11.8	3 156	11.6			27 273	1937
1938	14 527	50.2	1 488	5.2	2 964	10.2	4 007	13.8	2 871	9.9	3 078	10.6	27	0.1	28 962	1938
1939	15 376	50.5	1 598	5.2	3 003	9.9	3 790	12.5	3 284	10.8	3 302	10.9	68	0.2	30 421	1939
1940	14 580	49.8	1 768	6.0	2 843	9.7	3 564	12.2	3 295	11.2	3 169	10.8	87	0.3	29 306	1940
1941	16 463	49.8	2 059	6.2	3 030	9.2	4 231	12.8	3 814	11.5	3 429	10.4	8	0.1	33 034	1941
1942	22 877	53.7	2 818	6.6	3 736	8.8	4 897	11.5	4 435	10.4	3 761	8.8	65	0.2	42 589	1942
1943	26 780	53.0	4 097	8.1	3 817	7.6	5 208	10.3	6 069	12.0	4 248	8.4	277	0.6	50 498	1943
1944	34 911	52.9	6 507	9.9	4 662	7.1	6 398	9.7	7 884	11.9	5 113	7.7	502	0.8	65 977	1944
1945	42 923	50.9	9 277	11.0	6 747	8.0	6 840	8.1	10 088	12.0	7 224	8.6	1 148	1.4	84 247	1945
1946	36 285	43.7	9 963	12.0	7 328	8.8	8 065	9.7	11 320	13.7	7 951	9.6	2 044	2.5	82 956	1946
1947	39 250	43.1	11 045	12.1	7 133	7.8	10 263	11.2	12 361	13.6	8 297	9.1	2 799	3.1	91 148	1947
1948	37 781	41.0	10 733	11.7	7 634	8.3	12 176	13.2	12 098	13.1	7 681	8.3	4 069	4.4	92 172	1948
1949	36 931	41.6	10 604	12.0	6 806	7.7	9 710	10.9	12 786	14.4	7 662	8.6	4 252	4.8	88 751	1949
1950	36 707	40.4	10 332	11.4	6 820	7.5	12 011	13.2	12 205	13.5	7 931	8.7	4 840	5.3	90 846	1950
1951	40 327	39.8	11 272	11.1	7 337	7.3	14 618	14.4	14 316	14.2	7 979	7.9	5 395	5.3	101 244	1951

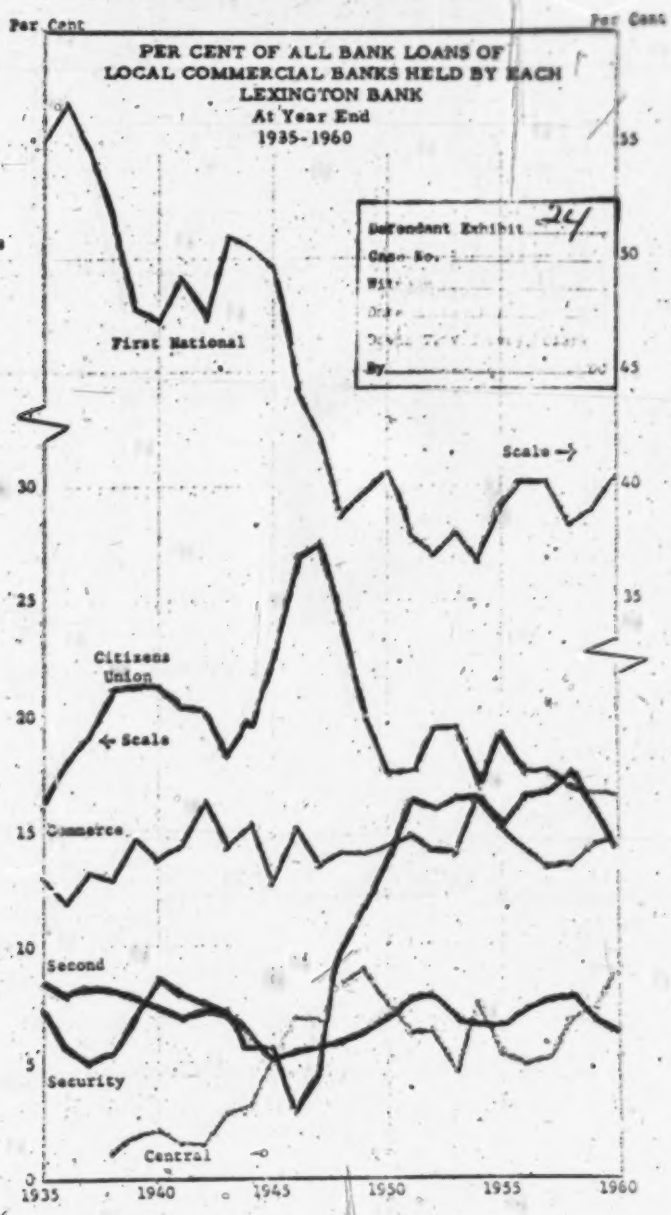
Dec. 31	First Natl Bk & Tr Co. Amount	%	Citizen Bk & Tr Co. Amount	%	Union Bk & Tr Co. Amount	%	Security Trust Co. Amount	%	Bank of Commerce Amount	%	Second Natl Bank Amount	%	Central Bank Amount	%	All Banks	Dec. 31
1952	40 439	39.6	11 625	11.4	7 726	7.6	13 758	13.5	15 212	14.9	8 002	7.8	5 282	5.2	102 038	1952
1953	39 548	38.7	12 037	11.8	8 497	8.3	13 170	12.9	14 235	13.9	8 339	8.1	6 429	6 3	102 255	1953
1954	43 171	39.1	Citi- 20		s-Union 18.8		16 805	15.2	14 416	13.1	8 859	8.0	6 339	5.8	110 366	1954
1955	47 404	42.4	21 737	19.5			13 998	12.5	14 092	12.6	9 356	8.4	5 086	4.6	111 673	1955
1956	53 218	45.3	21 550	18.4			12 174	10.4	15 549	13.2	9 634	8.2	5 257	4.5	117 382	1956
1957	57 463	43.9	23 347	17.8			15 334	11.7	17 361	13.2	10 975	8.4	6 514	5.0	130 994	1957
1958	57 847	41.7	24 125	17.4			16 655	12.0	20 434	14.7	11 097	8.0	8 542	6.2	138 700	1958
1959	61 816	41.3	25 512	17.0			17 734	11.8	21 082	14.1	12 285	8.2	11 374	7.6	149 803	1959
1960	58 673	40.1	24 569	16.8			17 402	11.9	19 500	13.3	12 157	8.3	14 144	9.6	146 445	1960

Source: Info. re 1935-51 from Polk's Bank Directories; 1952-60 from published call reports of condition.

[1341] *In United States District Court*
DEFENDANT EXHIBIT 23

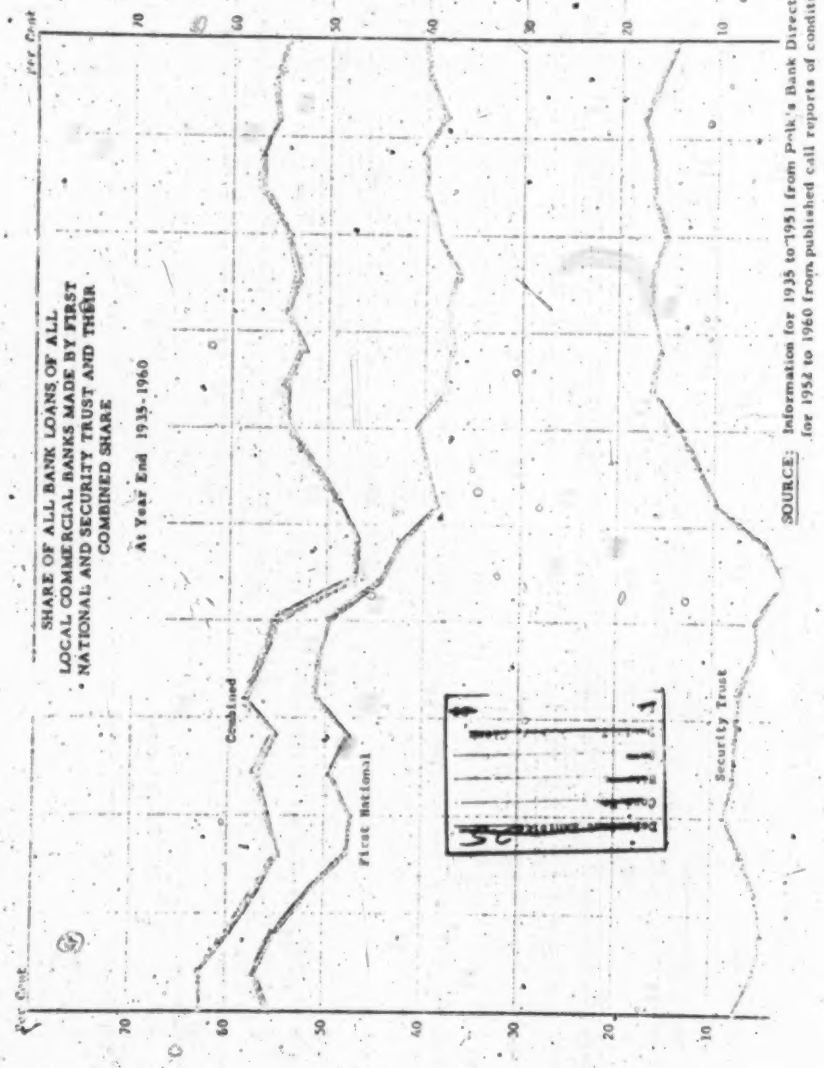


[1342] *In United States District Court*
DEFENDANT EXHIBIT 24



SOURCE: Information for 1935 to 1951 from Polk's Bank Directories; for 1952 to 1960 from published call reports of condition.

[1343] *In United States District Court*
DEFENDANT EXHIBIT 25



LOANS HELD BY EACH LEXINGTON BANK
AND PER CENT OF TOTAL LEXINGTON BANK LOANS HELD BY EACH BANK

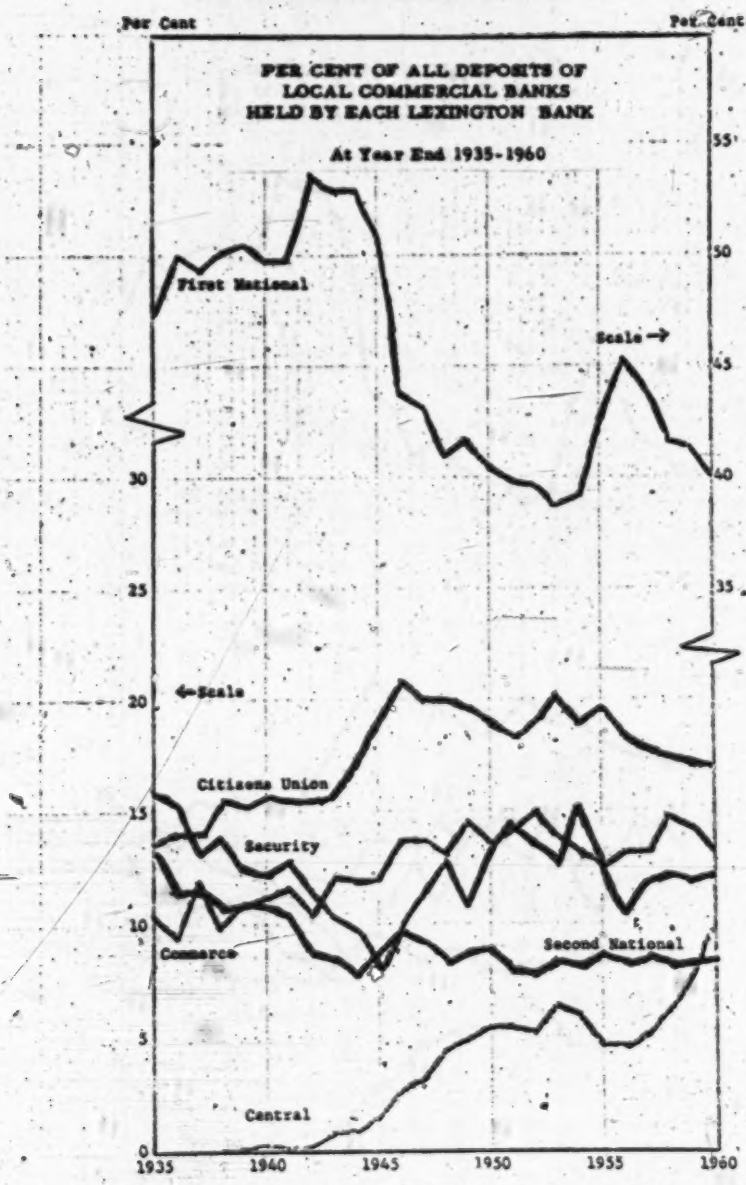
(In thousands of dollars) At Year End 1935-1960

Year	First Natl Bk & Tr Co. Amount	%	Citizens Bk & Tr Co. Amount	%	Union Bk & Tr Co. Amount	%	Security Trust Co. Amount	%	Bank of Commerce Amount	%	Second Natl Bank Amount	%	Central Bank Amount	%	Total Loans All Banks	Year
1935	6 912	55.1	924	7.4	1 080	8.6	969	7.6	1 621	12.9	1 052	8.4			12 538	1935
1936	7 012	56.8	936	7.6	1 258	10.2	707	5.7	1 469	11.9	967	7 8			12 349	1936
1937	7 163	54.7	1 038	7.9	1 461	11.1	636	4.9	1 727	13.2	1 081	8.2			13 106	1937
1938	7 022	51.6	1 058	7.8	1 825	13.4	730	5.4	1 749	12.8	1 087	8.0	143	1.0	13 614	1938
1939	6 805	47.8	1 247	8.7	1 777	12.5	999	7.0	2 085	14.6	1 099	7.7	238	1.7	14 251	1939
1940	7 239	47.2	1 286	8.4	1 958	12.8	1 320	8.6	2 102	13.7	1 113	7.3	303	2.0	15 321	1940
1941	7 450	49.2	1 139	7.5	1 957	12.9	1 180	7.8	2 167	14.3	1 025	6.8	217	1.5	15 135	1941
1942	5 972	47.5	924	7.3	1 608	12.8	947	7.5	2 034	16.2	900	7.2	192	1.5	12 577	1942
1943	5 932	51.0	852	7.3	1 254	10.8	826	7.1	1 648	14.2	806	6.9	312	2.7	11 630	1943
1944	6 397	50 5	1 108	8.7	1 374	10.8	733	5.8	1 908	15.1	759	6 0	386	3.1	12 665	1944
1945	7 698	49.7	2 146	13.8	1 320	8.5	852	5.5	1 960	12.6	773	5.0	753	4.9	15 502	1945
1946	8 873	44.3	2 955	14.7	2 230	11.1	563	2.8	3 003	15.0	1 062	5.3	1 370	6.8	20 056	1946
1947	10 559	42.4	4 630	18.6	2 200	8.9	1 119	4.5	3 337	13.4	1 372	5.5	1 662	6.7	24 879	1947
1948	11 673	38.7	5 162	17.1	1 976	6.5	2 999	9.9	4 193	13.9	1 708	5.7	2 473	8.2	30 134	1948
1949	12 904	39.7	4 498	13.8	1 939	6	3 731	11.5	4 518	13.9	1 995	6.1	2 879	8.9	32 516	1949
1950	15 294	40.5	4 393	11.6	2 187	5.8	5 116	13.6	5 349	14.2	2 614	6.9	2 807	7.4	37 765	1950
1951	15 121	37.9	5 741	11.9	2 223	5.6	6 490	16.2	5 871	14.7	3 025	7.6	2 424	6.1	39 900	1951

Year	First Natl Bk & Tr Co. Amount	%	Citizens Bk & Tr Co. Amount	%	Union Bk & Tr Co. Amount	%	Security Trust Co. Amount	%	Bank of Commerce Amount	%	Second Natl Bank Amount	%	Central Bank Amount	%	Total Loans All Banks	Year
1952	16 397	37.0	5 801	13.1	2 753	6.2	6 999	15.8	6 204	14.0	3 404	7.7	2 723	6.2	44 281	1952
1953	18 122	37.9	6 050	12.7	3 165	6.6	7 824	16.4	6 665	13.9	3 266	6.8	2 723	5.7	47 815	1953
					Citizens-Union											
1954	18 335	36.6	8 447	16.8			8 228	16.4	8 215	16.4	3 272	6.5	3 676	7.3	50 171	1954
1955	21 039	38.8	10 368	19.1			8 239	15.2	8 179	15.1	3 513	6.5	2 887	5.3	54 225	1955
1956	22 710	40.2	9 769	17.3			9 324	16.5	7 910	14.0	4 035	7.1	2 731	4.9	56 479	1956
1957	25 841	40.1	11 225	17.4			10 729	16.6	8 549	13.3	4 847	7.5	3 269	5.1	64 460	1957
1958	26 628	38.2	11 723	16.8			11 981	17.2	9 335	13.4	5 378	7.7	4 635	6.7	69 680	1958
1959	31 910	39.8	13 263	16.5			12 615	15.7	11 343	14.2	5 258	6.6	5 787	7.2	80 176	1959
1960	35 434	40.2	14 457	16.4			12 317	14.0	12 740	14.5	5 362	6.1	7 799	8.8	88 109	1960

[1346] *In United States District Court*

DEFENDANT EXHIBIT 27



SOURCE: Information for 1935 to 1951 from Polk's Bank Directory; for 1952 to 1960 from published call reports of condition.

Defendant Exhibit 27
Case No.
Witness
Date
Deputy Clerk

[1347] *In United States District Court*

DEFENDANT EXHIBIT 28

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF LOANS TO INDIVIDUALS TO PURCHASE OTHER RETAIL CONSUMER GOODS ON INSTALLMENT BASIS HELD BY COMMERCIAL BANKS AS OF DECEMBER 31, 1960.

LENDING AGENCY	$ VOLUME	% OF TOTAL OF BANKS
1. Commercial Banks		
a) First Nat'l.	$387,541	19.45
b) Security Trust	229,457	11.52
c) Citizens Union	324,840	16.30
d) Bank of Commerce	36,573	1.83
e) Second National	115,660	5.80
f) Central Bank	898,594	45.10
TOTALS	$1,992,665	100.00

SOURCE: Figures are taken from reports of condition of each bank as of December 31, 1960.

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF LOANS FOR PURCHASING OR CARRYING SECURITIES HELD BY COMMERCIAL BANKS IN FAYETTE COUNTY AS OF DECEMBER 31, 1960.

COMMERCIAL BANKS	$ VOLUME OF LOANS TO BROKERS OR DEALERS IN SECURITIES	% of TOTAL $ VOLUME	$ VOLUME OF OTHER LOANS TO BUY SECURITIES	% OF TOTAL $ VOLUME	TOTAL $ VOLUME OF LOANS TO BUY OR CARRY SECURITIES	% OF TOTAL $ VOLUME
1. First National	$ 1,059,500	68.38	0	0.00	1,059,500	31.90
2. Security Trust	27,100	1.75	79,997	4.52	107,097	3.23
3. Citizens Union	0	0.00	0	0.00	0	0.00
4. Bank of Commerce	0	0.00	46,200	2.61	46,200	1.39
5. Second National	0	0.00	344,954	19.47	344,954	10.39
6. Central Bank	462,757	29.87	1,300,370	73.40	1,763,127	53.09
TOTALS	$ 1,549.357	100.00	1,771;521	100.00	3,320 878	100.00

SOURCE: Call Reports for Banks as of 12/31/60

TABLE SHOWING GROWTH IN TOTAL ASSETS OF ALL LEXINGTON BANKS IN DOLLAR VOLUME AND PERCENTAGE GROWTH FROM DECEMBER 31, 1945 TO DECEMBER 31, 1960

	First Nat.	Security Trust	Central Bank	Bank of Commerce	Second National	Citizens & T. Co.	B. Union Bank (a)	Totals
Total Assets, As of 12/31/45	$45,503,094	$ 8,514,261	$ 1,279,972	$10,812,140	$ 7,783,597	$ 9,755,405	$ 7,637,524	$ 91,285,993
Total Assets As of 12/31/60	$65,068,618	$21,032,612	$14,930,405	$21,230,398	$13,239,634	$27,876,217		$163,377,884
Dollar Volume Growth	$19,565,524	$12,518,351	$13,650,433	$10,418,258	$ 5,456,037	$10,483,288(b)		$ 72,091,891
Percentage of Assets Held 12/31/60 of That Held 12/31/45	142.99	247.02	1,167.31	196.35	170.10	160.27(c)		
Percentage of total Growth in Assets that Each Bank Acquired	27.14	17.36	18.94	14.45	7.57	14.54(d)		

Source: Figures for 1945 obtained from Polk's Bank Directory; figures for 1960 obtained from published reports.

(a) Union Bank merged with Citizens Bank and Trust Co. in 1954.

(b) This figure is the excess of the amount that Citizens Union held in 1960 over that held by both Citizens and Union in 1945.

(c) This percentage is the percentage of that held in 1960 by Citizens Union of that held by both Citizens and Union in 1945.

(d) This percentage is calculated on the dollar volume growth of $10,483,288 as to the total growth of all local banks.

TABLE SHOWING GROWTH IN TOTAL LOANS OF ALL LEXINGTON BANKS IN DOLLAR VOLUME AND PERCENTAGE GROWTH FROM DECEMBER 31, 1945 TO DECEMBER 31, 1960

(In thousands of Dollars)

	First Nat.	Security Trust	Central Bank	Bank of Commerce	Second National	Citizens B. & T. Co.	Union Bank (a)	Totals
Total Loans As of 12/31/45	$ 7,698	$ 832	$ 753	$ 1,960	$ 773	$ 2,146	$ 1,320	$15,502
Total Loans As of 12/31/60	$35,434	$12,317	$ 7,799	$12,740	$ 5,362	$14,457		$88,109
Dollar Volume Growth	$27,736	$11,465	$ 7,046	$10,780	$4,589	$10,991(b)		$72,607
Percentage of Loans Held 12/31/60 of that Held 12/31/45	460.30	1,445.65	1,035.72	650.00	693.66	417.11(c)		
Percentage of Total Growth in Loans that each Bank Acquired	38.20	15.79	9.70	14.85	6.32	15.14(d)		

Source: Figures for 1945 obtained from Polk's Bank Directory; figures for 1960 obtained from published reports.

(a) Union Bank merged with Citizens Bank and Trust Co. in 1954.

(b) This figure is the excess of the amount that Citizens Union held in 1960 over that held by both Citizens and Union combined in 1945.

(c) This percentage is the percentage of that held in 1960 by Citizens Union of that held by both Citizens and Union combined in 1945.

(d) This percentage is calculated on the dollar volume growth of $10,991 as to the growth of all local banks.

TABLE SHOWING GROWTH IN TOTAL DEPOSITS OF ALL LEXINGTON BANKS IN DOLLAR VOLUME AND PERCENTAGE GROWTH FROM DECEMBER 31, 1945 TO DECEMBER 31, 1960

(In thousands of Dollars)

	First Nat.	Security Trust	Central Bank	Bank of Commerce	Second National	Citizens B. & T. Co.	Union Bank	Totals
Total Deposits As of 12/31/45	$ 42,923	$ 6,840	$ 1,148	$ 10,088	$ 7,224	$ 9,277	$ 6,747(a)	$84,247
Total Deposits As of 12/31/60	$ 58,673	$17,402	$14,144	$ 19,500	$12,157	$24,569		$146,445
Dollar Volume Growth	$ 15,750	$10,562	$12,996	$ 9,412	$ 4,933	$ 8,545(b)		$62,198
Percentage of Deposits Held 12/31/60 of That Held 12/31/45	136.69	254.41	1,232.05	193.29	168.28	153.33(c)		
Percentage of Total Growth in Deposits that Each Bank Acquired	25.32	16.98	20.90	15.13	7.93	13.74(d)		

Source: Figures for 1945 obtained from Polk's Bank Directory; Figures for 1960 obtained from published reports.

(a) Union Bank merged with Citizens Bank and Trust Co. in 1954.

(b) This figure is the excess of the amount that Citizens Union held in 1960 over that held by both Citizens and Union in 1945.

(c) This percentage is the percentage of that held in 1960 by Citizens Union of that held by both Citizens and Union in 1945.

(d) This percentage is calculated on the dollar volume growth of $8,545 as to the growth of all local banks.

[1352] *In United States District Court*

DEFENDANT EXHIBIT 33

GROWTH OF TRUST DEPARTMENT OF SECOND NATIONAL IN NUMBER OF ACCOUNTS AND DOLLAR VOLUME BY YEARS

AS OF	NO. OF ACCOUNTS	DOLLAR VOLUME
12/31/56	1	$ 22,359.43
12/31/57	11	487,950.54
12/31/58	17	625,589.70
12/31/59	28	860,699.99
12/31/60	31	932,651.42

SOURCE: Trust Department Balance Sheets of Second National Bank and Trust Company for the Years 1956-1960.

[1353] *In United States District Court*
DEFENDANT EXHIBIT 34

ITEM (9)

COMPARISON OF LOANS, DEPOSITS AND CAPITAL OF ALL LEXINGTON BANKS ON YEAR END DATES WITH RATIOS

FIRST NATIONAL BANK

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	7,698,000	42,923,000	2,403,000	17.93	31.22
1946	8,873,000	36,285,000	2,487,000	24.45	28.03
1947	10,558,758	39,249,624	2,654,345	26.90	25.14
1948	11,677,847	38,280,928	2,728,776	30.50	23.37
1949	12,904,213	36,930,862	2,836,023	34.94	21.98
1950	15,293,764	36,707,311	2,997,302	41.66	19.60
1951	15,120,798	40,326,704	3,070,715	37.50	20.31
1952	16,396,746	40,439,250	3,160,859	40.55	19.28
1953	18,121,535	39,568,305	3,265,488	45.82	18.02
1954	18,334,701	43,171,366	3,472,351	42.47	18.94
1955	21,039,377	47,404,003	3,640,258	44.38	17.30
1956	22,709,776	53,217,594	3,773,701	42.67	16.62
1957	25,841,168	57,463,177	3,915,978	44.97	15.15
1958	26,627,976	57,846,790	4,407,711	46.03	16.55
1959	31,909,858	61,815,533	4,670,873	51.62	14.64
1960	35,433,771	58,673,480	5,023,309	60.39	14.18

SECURITY TRUST COMPANY

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	852,000	6,840,000	857,000	12.46	100.59
1946	563,000	8,065,000	883,000	6.98	156.84
1947	1,118,767	10,262,938	1,586,717	10.90	141.83
1948	2,999,143	12,175,604	1,853,178	24.63	61.79
1949	3,731,110	9,710,149	1,879,606	38.42	50.38
1950	5,065,282	12,010,696	1,886,376	42.17	37.24
1951	6,413,480	14,618,123	1,986,852	43.87	30.98
1952	6,998,608	13,752,208	2,087,911	50.89	29.83
1953	7,823,506	13,170,348	2,210,776	59.40	28.26
1954	8,226,358	16,804,997	2,389,856	48.95	29.05
1955	8,239,124	13,997,957	2,330,727	58.86	28.29
1956	9,323,719	12,174,051	2,403,646	76.59	25.78
1957	10,729,325	15,334,016	2,503,710	69.97	23.34
1958	11,980,841	16,655,285	2,610,281	71.93	21.79
1959	12,614,793	17,734,153	2,736,992	71.13	21.70
1960	12,317,243	17,401,927	3,035,049	70.78	24.64

[1354]

CITIZENS BANK

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	2,146,000	9,277,000	466,000	23.13	21.71
1946	2,955,000	9,963,000	584,000	29.66	19.76
1947	4,630,300	11,045,258	673,018	41.92	14.54
1948	5,162,053	10,733,208	785,343	48.09	15.21
1949	4,497,830	10,603,528	694,009	42.42	15.43
1950	4,397,849	10,332,434	777,198	42.56	17.67
1951	4,740,791	11,271,587	855,234	42.06	18.04
1952	5,800,852	11,625,243	965,929	49.90	16.65
1953	6,049,861	12,037,066	1,043,332	50.26	17.24
1954	Merged with Union Bank				

UNION BANK

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	1,320,000	6,747,000	648,000	19.56	49.09
1946	2,230,000	7,328,000	649,000	30.43	29.10
1947	2,199,640	7,132,589	661,946	30.84	30.09
1948	1,975,712	7,633,530	670,918	25.88	33.96
1949	1,989,155	6,805,931	688,252	29.23	34.60
1950	2,186,744	6,819,640	758,682	32.06	34.69
1951	2,227,871	7,336,628	785,328	30.37	35.25
1952	2,752,570	7,725,675	837,267	35.63	30.42
1953	3,165,097	8,497,326	858,587	37.25	27.13
1954	Merged with Citizens Bank				

CITIZENS UNION BANK •

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1954	8,446,891	20,775,799	2,213,304	40.66	26.20
1955	10,368,037	21,737,210	2,169,864	47.70	20.93
1956	9,769,011	21,550,202	2,215,057	45.33	22.67
1957	11,224,697	23,347,374	2,480,900	48.08	22.10
1958	11,722,685	24,124,963	2,499,331	48.59	21.32
1959	13,263,471	25,512,002	2,480,746	51.99	18.70
1960	14,436,376	24,568,642	2,633,427	58.84	18.22

• Began business in 1954 as result of merger of the Citizens Bank with the Union Bank

[1355]

BANK OF COMMERCE

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	1,960,000	10,088,000	715,000	19.43	36.48
1946	3,003,000	11,320,000	763,000	26.53	25.41
1947	3,336,650	12,360,870	813,742	26.99	24.39
1948	4,197,883	12,097,919	874,020	34.70	20.82
1949	4,517,724	12,786,245	922,984	35.33	20.43
1950	5,348,834	12,205,168	989,419	43.82	18.50
1951	5,870,931	14,316,167	1,037,860	41.01	17.68
1952	6,204,370	15,211,420	1,096,120	40.79	17.67
1953	6,664,667	14,234,858	1,126,707	46.82	16.90
1954	8,215,186	14,416,246	1,183,841	56.98	14.41
1955	8,179,313	14,091,708	1,185,219	58.04	14.49
1956	7,910,231	15,549,499	1,205,465	50.87	15.24
1957	8,549,158	17,360,706	1,246,098	49.24	14.58
1958	9,335,073	20,434,119	1,306,264	45.68	13.99
1959	11,342,697	21,081,960	1,637,158	53.80	14.43
1960	12,737,921	19,500,473	1,693,925	65.32	13.30

SECOND NATIONAL BANK

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	773,000	7,228,000	548,000	10.70	70.89
1946	1,062,000	7,953,000	572,000	13.36	53.86
1947	1,371,769	8,297,299	595,425	16.53	43.40
1948	1,708,343	7,681,767	646,429	22.24	37.84
1949	1,995,463	7,662,174	680,388	26.04	34.10
1950	2,613,851	7,931,000	717,332	32.96	27.44
1951	3,025,367	7,979,193	775,736	37.92	25.64
1952	3,403,506	8,001,444	823,830	42.54	24.20
1953	3,266,487	8,339,050	866,512	39.17	26.53
1954	3,271,716	8,858,855	910,742	36.93	27.84
1955	3,513,207	9,355,915	937,432	37.55	26.68
1956	4,034,837	9,634,084	891,600	41.88	22.10
1957	4,847,187	10,975,116	895,430	44.16	18.47
1958	5,378,225	11,096,750	901,835	48.47	16.77
1959	5,297,529	12,285,280	907,936	42.80	17.27
1960	5,362,209	12,157,027	1,082,607	44.11	20.19

[1356]

CENTRAL BANK *

	LOANS	DEPOSITS	CAPITAL	RATIO LOANS TO DEPOSITS	RATIO CAPITAL TO LOANS
1945	733,000	1,148,000	129,000	65.59	17.13
1946	1,370,000	2,044,000	174,000	67.02	12.70
1947	1,661,802	2,799,267	234,266	59.36	14.10
1948	2,472,928	4,069,293	290,201	60.77	11.74
1949	2,878,854	4,251,974	298,385	67.71	10.36
1950	2,743,233	4,839,466	291,008	56.68	10.61
1951	2,328,231	5,395,799	275,429	43.15	11.83
1952	2,723,137	5,282,339	224,890	51.55	8.24
1953	2,722,693	6,428,492	269,564	42.35	9.90
1954	3,696,339	6,338,546	305,084	58.00	8.30
1955	2,886,827	5,085,959	308,881	56.76	10.70
1956	2,731,399	5,257,045	338,629	51.95	12.40
1957	3,269,070	6,513,430	377,861	50.19	11.56
1958	4,634,647	8,542,055	414,329	54.26	8.94
1959	5,787,202	11,394,085	443,849	50.88	7.70
1960	7,798,694	14,143,795	513,862	55.14	6.59

* Formerly known as The Central Exchange Bank

Source : Published call reports and Polk's Bank Directory

ITEM (5) COMPARISON OF DOLLAR AMOUNTS AND PERCENTAGES OF ALL LEXINGTON BANKS PER PUBLISHED STATEMENTS FOR YEARS ENDED DECEMBER 31, 1960 AND 1961

	12-31-60		12-31-61		Increase (Decrease)		Increase (Decrease)
TOTAL RESOURCES	Amount	% of Total	Amount	% of Total	Amount	% of Change	Percentage of Total
First National	65,068,618	39.83			(65,068,618)		
Security Trust	21,032,612	12.87			(21,032,612)		
First Security			96,642,102		96,642,102		
SUB TOTAL	86,101,230	52.70	96,642,102	51.51	10,540,872	12.24	(1.19)
Citizens Union	27,876,217	17.06	32,925,586	17.55	5,049,369	18.11	.49
Commerce	21,230,398	13.00	24,873,417	13.26	3,643,019	17.16	.26
Second National	13,239,634	8.10	14,516,330	7.74	1,276,696	9.64	(.36)
Central	14,930,405	9.14	18,639,180	9.94	3,708,775	24.84	.80
GRAND TOTAL	163,377,884	100%	187,596,615	100%	24,218,731	14.82	

TOTAL DEPOSITS							
First National	58,673,480	40.06			(58,673,480)		
Security Trust	17,401,927	11.88			(17,401,927)		
First Security			86,262,404		86,262,404		
SUB TOTAL	76,075,407	51.94	86,262,404	50.44	10,186,997	13.39	(1.50)
Citizens Union	24,568,642	16.78	29,681,729	17.35	5,113,087	20.81	.57
Commerce	19,500,473	13.32	23,121,313	13.52	3,620,840	18.57	.20
Second National	12,157,027	8.30	13,454,851	7.87	1,297,824	10.68	(.43)
Central	14,143,795	9.66	18,507,475	10.82	4,363,680	30.85	1.16
GRAND TOTAL	146,445,344	100%	171,027,772	100%	24,582,428	16.79	

212-306 O - 63 - 68

ITEM (5)(Continued)

	12-31-60*		12-31-61		Increase (Decrease)		Increase (Decrease)
DEMAND DEPOSITS (IPC)	Amount	% of Total	Amount	% of Total	Amount	% of Change	Percentage of Total
First National	34,332,815	38.49			(34,332,815)		
Security Trust	11,592,572	13.00			(11,592,572)		
First Security			53,924,361		53,924,361		
SUB TOTAL	45,925,387	51.49	53,924,361	49.87	7,998,974	17.42	(1.62)
Citizens Union	16,372,344	18.36	18,733,687	17.32	2,361,343	14.42	(1.04)
Commerce	12,502,509	14.01	15,954,833	14.76	3,452,324	27.61	.75
Second National	7,150,708	8.02	7,826,810	7.24	676,102	9.46	(.78)
Central	7,241,802	8.12	11,685,974	10.81	4,444,172	61.37	2.69
GRAND TOTAL	89,192,750	100%	108,125,665	100%	18,932,915	21.23	
TIME DEPOSITS (IPC)							
First National	12,779,124	30.69			(12,779,124)		
Security Trust	5,111,962	13.88			(5,111,962)		
First Security			18,489,907		18,489,907		
SUB TOTAL	17,891,086	48.57	18,489,907	48.00	593,821	3.32	(.57)
Citizens Union	6,047,457	16.41	6,667,233	17.31	619,776	10.25	.90
Commerce	5,292,426	14.37	5,467,257	14.20	174,831	3.30	(.17)
Second National	4,660,070	12.65	5,066,060	13.15	405,990	8.71	.50
Central	2,946,183	8.00	2,826,438	7.34	(119,745)	(4.06)	(.66)
GRAND TOTAL	36,837,222	100%	38,511,895	100%	1,674,673	4.55	

GRAND TOTAL	36,890,222	100%	38,511,895	100	1,670,673	4.55

[1350]

ITEM (5) (Continued)

STATE & POLITICAL DEPOSITS	12-31-60 Amount	% of Total	12-31-61 Amount	% of Total	Increase (Decrease) Amount	% of Change	Increase (Decrease) of Percentage Total
First National	4,023,306	43.60	-		(4,023,306)		
Security Trust	350,000	3.79			(350,000)		
First Security			4,275,843		4,275,843		
SUB TOTAL	4,373,306	47.39	4,275,843	38.04	(97,463)	(2.23)	(9.35)
Citizens Union	399,277	4.33	1,930,231	17.17	1,530,954	383.70	12.84
Commerce	1,471,065	15.94	1,502,750	13.37	31,685	2.15	(2.57)
Second National	138,944	1.51	390,567	3.47	251,623	181.10	1.96
Central	2,844,824	30.83	3,141,799	27.95	296,975	10.44	(2.88)
GRAND TOTAL	9,227,416	100%	11,241,190	100%	2,013,774	21.82	
LOANS							
First National	35,433,771	40.22			(35,433,771)		
Security Trust	12,317,243	13.98			(12,317,243)		
First Security			46,599,772		46,599,772		
SUB TOTAL	47,751,014	54.20	46,599,772	54.14	(1,151,242)	(2.41)	(.06)
Citizens Union	14,456,576	16.41	14,223,892	16.52	(232,684)	(1.61)	.11
Commerce	12,737,921	14.46	13,264,396	15.41	526,475	4.13	.95
Second National	5,362,209	6.08	5,661,488	6.58	299,279	5.58	.50
Central	7,798,694	8.85	6,330,419	7.35	(1,468,275)	(18.83)	(1.50)
GRAND TOTAL	88,106,414	100%	86,079,967	100%	(2,026,447)	(2.30)	

[1360] *In United States District Court*

DEFENDANT EXHIBIT 36

Comparison of Installment Loans at Year-End dates since beginning business

	FIRST NATIONAL			SECURITY TRUST		
	Dollar Amt.	No. Loans	Average Size Loan	Dollar Amt.	No. Loans	Average Size Loan
1961	12,204,722	15,527	786	2,385,624	2,431	981
1960	12,533,227	16,214	779	2,913,916	2,538	1148
1959	10,369,257	14,810	700	2,815,191	2,343	1201
1958	8,857,684	13,762	644	2,190,247	2,176	1006
1957	8,516,927	12,998	655	1,713,557	1,984	864
1956	6,542,803	12,245	534	1,366,777	1,784	793
1955	6,209,283	12,5[illegible]	496	1,122,143	1,519	738
1954	5,827,739	10,813	446	813,347	954	852
1953	4,616,228	8,033	500			
1952	2,961,716	5,630	526			
1951	2,117,041	4,515	469			
1950	1,906,849	3,516	542			
1949	1,069,225	1,875	579			

Source: Bank Records

We certify that the foregoing figures as to dollar amount and number of loans outstanding as of the year-end indicated are true and correct.

J. A. REEVES,
Vice President
First Security National Bank and Trust Company
In charge of Installment Loan Department of First National

PAUL J. KATZENFELD,
Vice President
First Security National Bank and Trust Company
In charge of Installment Loan Department of Security Trust

Earnings, Expenses and Profits of Insured Commercial Banks
by Selected Size Classification, 1954-1960
(Amounts per $100. of Total Assets)

Year	Number Banks	Current Operating Earnings	Current Operating Expenses	Net Profits Before Income Taxes	Net Profit After Income Taxes
$10,000,000--$25,000,000 in Deposits					
1954	1,268	3.16	2.14	1.06	.67
1955	1,320	3.29	2.19	.87	.50
1956	1,369	3.51	2.34	.82	.50
1957	1,390	3.76	2.61	.90	.56
1958	1,480	3.74	2.70	1.06	.68
1959	1,534	4.11	2.89	.86	.54
1960	1,603	4.36	3.09	1.12	.72
Average		3.70	2.57	.96	.60
$25,000,000--$50,000,000 in Deposits					
1954	384	3.00	2.02	1.08	.65
1955	398	3.16	2.07	.83	.47
1956	433	3.43	2.27	.78	.46
1957	442	3.71	2.58	.86	.50
1958	464	3.72	2.69	1.11	.68
1959	496	4.10	2.87	.83	.51
1960	491	4.38	3.09	1.15	.73
Average		3.64	2.51	.95	.57
$50,000,000--$100,000,000 in Deposits					
1954	195	2.91	1.94	1.03	.60
1955	197	3.13	2.03	.84	.48
1956	209	3.40	2.22	.82	.48
1957	217	3.63	2.45	.93	.54
1958	219	3.62	2.53	1.12	.65
1959	217	4.01	2.72	.86	.54
1960	212	4.21	2.88	1.15	.70
Average		3.56	2.40	.96	.57

Source: Compiled from the Annual Reports of the Federal Deposit Insurance Corporation, Washington, D. C.

Chart showing total asse
and percentage of total
banks held by each bank

Year	FIRST NATIONAL BANK Total Assets	FIRST NATIONAL BANK Share Of Total All Lex. Bks.	FAYETTE NATIONAL BANK Total Assets	FAYETTE NATIONAL BANK Share Of Total All Lex. Bks.	FIRST & CITY NATIONAL BANK Total Assets	FIRST & CITY NATIONAL BANK Share Of Total All Lex. Bks.	PHOENIX NATIONAL BANK Total Assets	PHOENIX NATIONAL BANK Share Of Total All Lex. Bks.	SECURITY TRUST CO. Total Assets	SECURITY TRUST CO. Share Of Total All Lex. Bks.	KY. JOINT STOCK LAND BK. Total Assets	KY. JOINT STOCK LAND BK. Share Of Total All Lex. Bks.	CITIZENS UNION NATIONAL BK. Total Assets	CITIZENS UNION NATIONAL BK. Share Of Total All Lex. Bks.
1928			4,448,000	9.06	6,469,000	13.18	8,583,000	17.50	4,088,000	8.33	12,610,000	25.71		
1929	13,064,000	27.56	5,239,000	11.04					3,630,000	7.66	12,610,000	26.60		
1930	13,398,000	31.22	4,926,000	11.48					3,935,000	9.17	12,162,000	28.35		
1931	14,348,000	37.93							3,735,000	9.88	10,901,000	28.83		
1932	12,950,000	35.76							3,380,000	9.33	9,661,000	26.67		
1933	11,315,000	45.71							3,778,000	15.27				
1934	14,121,000	41.05							5,153,000	14.98	5,244,000	15.24		
1935	13,329,000	46.02							4,640,000	16.02				
1936	16,920,000	48.38							5,620,000	16.06				
1937	15,596,000	47.46							4,679,000	14.24				
1938	16,669,000	48.08							5,038,000	14.53				
1939	17,639,000	48.76							4,739,000	13.10				
1940	16,889,000	48.22							4,406,000	12.58				
1941	18,819,000	48.24							5,102,000	13.08				
1942	25,248,000	52.00							5,806,000	11.96				
1943	29,210,000	51.47							6,374,000	11.22				
1944	37,400,000	51.79							7,457,000	10.33				
1945	45,500,000	49.85							8,514,000	9.33				
1946	39,004,000	43.48							9,320,000	10.39				
1947	42,160,000	42.74							11,864,000	12.02				
1948	40,728,000	40.62							14,062,000	14.03				
1949	40,108,000	41.01							11,646,000	11.91				
1950	40,100,000	40.07							14,089,000	14.08				
1951	43,873,000	39.55							16,811,000	15.16				
1952	44,097,000	39.28							16,087,000	14.33				
1953	43,442,000	38.42							15,625,000	13.82				
1954	47,336,000	38.72							19,494,000	15.94			23,175,000	18.95
1955	51,663,000	41.74							16,811,000	13.58			24,064,000	19.44
1956	57,692,000	44.43							15,133,000	11.65			24,061,000	18.53
1957	62,212,000	43.10							18,352,000	12.71			26,182,000	18.13
1958	63,336,000	41.38							20,051,000	13.10			26,783,000	17.50
1959	67,447,000	40.94							20,958,000	12.72			28,408,000	17.24
1960	65,069,000	39.83							21,033,000	12.87			27,876,000	17.06

Source: Polk's Bank Directory

O - 63 (Face blank p. 1058) No. 4

In United States District Court
DEFENDANT EXHIBIT 38

t showing total assets of each Lexington bank
percentage of total assets of all Lexington
s held by each bank from 1928 through 1960

UNION NATIONAL BK.		UNION BANK & TRUST		CITIZENS BANK & TRUST		COMMONWEALTH BANK		GUARANTY BANK		BANK OF COMMERCE		SECOND NATIONAL BK.		CENTRAL BANK		
l Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets	Share Of Total All Lex. Bks.	Total Assets All Lex. Bks.
		2,227,000	4.54			843,000	1.72	2,875,000	5.86	4,934,000	10.04	1,993,000	4.06			49,048,000
		2,169,000	4.58			931,000	1.96	2,928,000	6.18	4,690,000	9.90	2,141,000	4.52			47,398,000
		2,084,000	4.86							4,180,000	9.75	2,217,000	5.17			42,894,000
		2,668,000	7.06							3,252,000	8.60	2,917,000	7.70			37,818,000
		2,286,000	6.31	2,000,000	5.52					2,827,000	7,81	3,114,000	8,60			36,219,000
		2,052,000	8.29	1,782,000	7,20					2,432,000	9.83	3,390,000	13.70			24,747,000
		2,249,000	6.54	1,683,000	4,89					2,430,000	7.06	3,523,000	10.24			34,403,000
		2,417,000	8.35	1,831,000	6.32					3,118,000	10.77	3,626,000	12.52			28,957,000
		3,148,000	9.00	1,924,000	5.49					3,463,000	9.90	3,907,000	11.17			34,988,000
		3,088,000	9.40	2,014,000	6.13					3,815,000	11.61	3,668,000	11.16			32,860,000
		3,638,000	10.53	2,111,000	6.09					3,439,000	9.92	3,609,000	10.41	153,000	.44	34,669,000
		3,616,000	10.00	2,221,000	6.14					3,874,000	10.71	3,828,000	10.58	257,000	.71	36,174,000
		3,535,000	10.09	2,264,000	6.46					3,922,000	11.20	3,697,000	10.56	310,000	.89	35,029,000
		3,904,000	10.01	2,527,000	6.48					4,439,000	11,43	3,964,000	10.16	235,000	.60	39,010,000
		4,592,000	9.46	3,247,000	6.69					5,107,000	10.52	4,296,000	8.85	256,000	.52	48,549,000
		4,647,000	8.19	4,514,000	7.95					6,764,000	11.92	4,782,000	8.43	463,000	.82	56,754,000
		5,548,000	7.67	6,936,000	9.60					8,578,000	11.88	5,659,000	7.84	641,000	.89	72,219,000
		7,635,000	8.36	9,788,000	10.69					10,812,000	11.84	7,783,000	8.53	1,280,000	1.40	91,282,000
		7,977,000	8.89	10,547,000	11.76					12,095,000	13.48	8,534,000	9.52	2,226,000	2.48	89,703,000
		7,795,000	7.90	11,718,000	11.88					13,187,000	13.37	8,900,000	9.02	3,034,000	3.07	98,667,000
		8,304,000	8.28	11,519,000	11.49					12,988,000	12.96	8,336,000	8,31	4,322,000	4.31	100,257,000
		7,494,000	7.66	11,465,000	11,72					13,732,000	14.04	8,358,000	8.55	4,998,000	5.11	97,793,000
		7,578,000	7.57	11,305,000	11.29					13,216,000	13.20	8,663,000	8.66	5,130,000	5.13	100,089,000
		8,122,000	7.32	12,285,000	11.08					15,378,000	13.87	8,770,000	7.91	5,671,000	5.11	110,918,000
		8,608,000	7.67	12,736,000	11.34					16,334,000	14.55	8,825,000	7.86	5,580,000	4.97	112,267,000
		9,391,000	8.31	13,230,000	11.70					15,385,000	13.61	9,206,000	8.14	6,787,000	6.00	113,066,000
000	18.95									15,624,000	12.78	9,770,000	7.99	6,869,000	5.62	122,268,000
000	19.44									15,301,000	12.36	10,293,000	8.32	5,64[illegible]000	4.56	123,794,000
000	18.53									16,779,000	12.92	10,524,000	8.10	5,675,000	4.37	129,864,000
000	18.13									18,631,000	12.91	11,870,000	8.22	7,113,000	4.93	144,360,000
000	17.50									21,764,000	14.22	12,013,000	7.84	9,119,000	5.96	153,084,000
000	17.24									22,751,000	13.81	13,193,000	8.01	11,997,000	7.28	164,754,000
000	17.06									21,230,000	13.00	13,240,000	8.10	14,930,000	9.14	163,378,000

In United States District Court
DEFENDANT EXHIBIT 89

ITEM (7)
EMPLOYMENT OF RESOURCES AND LIABILITIES OF ALL LEXINGTON BANKS
PER YEAR-END CALL REPORTS 1960

		FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIO	
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	P
	ASSETS										
1	Cash, balances with other banks & cash items in process of collection	13,370,610	20.55	4,449,636	21 16	4,221,727	15 14	4,853,870	22 86	2,734,819	2
2	United States Government Obligations	13,660,466	20 99	2,481,039	11 80	7,216,252	25 89	2,739,133	12 90	4,543,695	3
3	Obligations of State and Political Subdivisions	1,403,022	2 16	1,474,912	7 01	1,400,591	5 03	327,791	1 54		
4	Other bonds, notes and debentures	10,718	01	182,223	87			20,571	10	394,873	
5	Corporate Stocks (including stock of Federal Reserve Bank)	75,000	11	116,589	55	68,004	24	42,012	20	22,500	
6	Loans and Discounts	35,493,771	54 46	12,317,243	58 56	14,456,576	51 86	12,737,921	60 01	5,062,209	4
7	Bank premises owned, furniture and fixtures	857,351	1 32	2		467,086	1 68	415,043	1 95	179,248	
8	Other assets	257,676	40	10,965	05	43,976	16	93,735	44	2,288	
9	TOTAL ASSETS	65,048,613	100%	21,032,612	100%	27,876,217	100%	21,230,398	100%	13,239,634	10
10											
11											
12											
13											
14											
15	LIABILITIES										
16	Demand deposits of individuals, partnerships and corporations	34,032,815	52 76	11,592,572	55 12	16,372,344	58 73	12,502,509	58 89	7,130,708	5
17	Time deposits of individuals, partnerships and corporations	12,779,124	19 64	5,111,962	24 30	6,047,457	21 69	5,292,626	24 93	4,660,070	3
18	Deposits of United States Government (including postal savings)	1,135,277	1 75	292,774	1 39	313,271	1 12	110,492	52	136,346	
19	Deposits of States and Political Subdivisions	4,023,306	6 18	350,000	1 67	399,272	1 43	1,471,065	6 93	138,944	
20	Deposits of Banks	5,988,575	9 20	10,000	05	1,271,667	4 56	25,000	12		
21	Other Deposits	414,381	64	44,618	21	164,625	59	98,580	46	70,956	
22	Other Liabilities	1,971,828	2 11	595,635	2 83	674,147	2 43	36,000	17		
23	TOTAL LIABILITIES	60,045,309.	92.28	17,997,563	85.57	25,242,789	90.55	19,536,473	92.02	12,157,027	
24											
25											
26											
27	CAPITAL ACCOUNTS										
28											
29	Capital Stock	1,250,000	1.92	1,000,000	4.75	1,000,000	3.59	400,000	1.89	300,000	
30	Surplus	1,250,000	1.92	1,000,000	4.71	1,000,000	3.58	1,000,000	4.71	450,000	
31	Undivided Profits	2,423,309	3.73	835,049	3.97	133,427	.48	293,925	1.38	249,607	
32	Reserves	100,000	.15							83,000	
33	TOTAL CAPITAL ACCOUNTS	5,023,309	7.72	3,035,049	14.43	2,633,427	9.45	1,693,925	7.98	1,082,607	
34											
35	TOTAL LIABILITIES AND CAPITAL ACCOUNTS	65,068,618	100%	21,032,612	100%	27,876,217	100%	21,230,398	100%	13,239,634	10
36											
37											
38	Source: 1960 Year-end Call Reports										
39	Note: Cents are omitted and dollar amounts are not rounded off.										
40											

Defendant Exhibit
Case No.
Witness
Date
Davis H. McGarvey, Clerk
By DC

In United States District Court
DEFENDANT EXHIBIT 39

FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIONAL		CENTRAL BANK	
Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
13,370,610	20.55	4,449,636	21 16	4,221,727	15 14	4,853,870	22 86	2,734,819	20 66	4,114,460	27.57
13,140,466	20 99	2,481,038	11 80	7,216,252	25 89	2,739,153	12 90	4,543,695	34 32	2,765,665	18.52
1,403,022	2 16	1,474,912	7 01	1,400,591	5 03	327,791	1 54				
10,716	01	182,225	87			20,571	10	394,873	2 98	20,000	.13
73,399	11	116,589	55	68,004	24	42,312	20	22,500	17		
33,433,771	54 46	12,017,243	58 56	14,436,576	51 86	12,737,921	60 01	5,362,209	40 50	7,398,694	52.23
837,051	1 32	2		467,086	1 68	415,043	1 95	179,248	1 35	228,642	1.53
237,276	40	10,965	05	43,978	16	93,735	44	2,288	02	2,942	.02
61,266,318	100%	21,032,612	100%	27,876,217	100%	21,230,398	100%	13,239,634	100%	14,930,405	100%
34,232,815	52 76	11,592,572	55 12	16,372,344	58 73	12,502,509	58.89	7,130,708	54.01	7,241,602	48.51
12,779,234	19 64	5,111,962	24 30	6,047,457	21 69	5,292,426	24 93	4,640,070	35.20	2,946,183	19.73
1,135,277	1 75	292,774	1 39	313,271	1 12	110,492	.52	136,346	1.03	440,774	2.95
4,023,506	6 18	350,000	1 67	399,277	1 43	1,471,065	6 93	138,944	1.05	2,844,824	19.05
5,988,575	9 20	10,000	05	1,271,667	4 56	25,000	12			588,451	3.94
414,381	64	44,618	21	164,625	59	98,980	46	70,956	53	81,758	.55
1,371,825	2 11	595,635	2 83	474,147	2 43	36,000	17			272,147	1.83
60.045.309	92.28	17,997,563	85.57	25,242,789	90.55	19,536,473	92.02	12,157,027	91.82	14,416,542	96.56
1,250,000	1 92	1,000,000	4 75	1,000,000	3 59	400,000	1.89	300,000	2.26	150,000	1.01
1,250,000	1 92	1,200,000	5 71	1,300,000	5 38	1,000,000	4 71	650,000	5 40	350,000	2.34
2,423,309	3 73	835,049	3 97	133,627	48	293,925	1 38	249,607	1 89	13,862	.09
100,000	15							83,000	.63		
5,023,309	7 72	3,035,049	14 43	2,433,627	9 45	1,693,925	7 98	1,082,607	8 18	513,862	3.44
65,268,618	100%	21,032,612	100%	27,876,217	100%	21,230,398	100%	13,239,634	100%	14,930,405	100%

Item (8) Cont.

Employment of Resources and Liabilities of All Lexington Banks

Per Year-end Call Reports 1960

			FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIO	
		Schedule B-- United States Government Obligations, Direct & Guaranteed	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	P
1	1.	Treasury Bills	2,973,585	21.77			795,284	11.02			49,055	
2	2.	Treasury Certificates of Indebtedness	317,000	2.32			3,008,906	41.70			500,000	11
3	3.	Treasury Notes	2,204,351	16.14	1,044,561	42.18			580,000	21.17	2,806,265	61
4	4.	U. S. Nonmarketable Bonds										
5	5.	Other U. S. Bonds maturing within 5 years from date of call report	7,774,529	56.91	810,243	32.66	3,412,062	47.28	1,064,375	38.86	830,008	18
6	6.	Other U. S. Bonds maturing after 5 but within 10 years from date of call report	391,000	2.86	624,234	25.16					358,375	7
7	7.	Other U. S. Bonds maturing after 10 but within 20 years from date of call report							1,057,778	38.62		
8	8.	Other U. S. Bonds maturing after 20 years from date of call report							37,000	1.35		
9	9.	FHA Debentures and Merchant Marine bonds (guaranteed by U. S. Government)										
10	10.	Total United States Government Obligations	13,660,466	100%	2,481,039	100%	7,216,252	100%	2,739,153	100%	4,543,695	10
11												
12												
13												
14		Schedule D-- Cash, Balances With Other Banks										
15												
16	1.	Cash items in process of collection, including exchanges for clearing house	3,825,531	28.61	268,380	5.03	1,219,410	28.88	330,479	6.81	205,760	7
17	2.	Demand balances with banks in the U. S.	9,821,356	73.45	1,902,332	42.75	1,247,956	29.56	2,652,055	54.74	1,503,982	55
18	3.	Total of items 1 and 2	13,646,887	102.06	2,170,713	48.78	2,467,366	58.44	2,982,535	61.55	1,709,443	62
19	4.	Currency and Coin	1,273,929	9.53	134,550	3.03	509,584	12.07	380,543	7.84	202,968	7
20	5.	Reserve with Federal Reserve Bank	(1,550,205)	(11.59)	2,144,373	48.19	1,244,777	29.49	1,485,791	30.61	822,106	30
21	8.	Total of items 3 to 7	13,370,610	100%	4,449,636	100%	4,221,727	100%	4,853,870	100%	2,754,819	100
22												
23												
24		Source: 1960 Year-end Call Reports										
25		Note: Cents are omitted and dollar amounts are not rounded off										
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FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIONAL		CENTRAL BANK	
Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2,973,585	21.77			795,284	11.02			49,051	1.08	2,180,665	78.85
317,000	2.32			3,008,906	41.70			500,000	11.01	80,000	2.89
2,294,351	16.14	1,044,561	42.18			580,000	21.17	2,806,265	61.76	201,000	7.27
7,774,529	56.91	810,263	32.66	3,412,062	47.28	1,064,375	38.86	830,000	18.27	279,000	10.09
391,000	2.86	624,234	25.16					358,375	7.89		
						1,057,778	38.62				
						37,000	1.35			25,000	.90
13,660,466	100%	2,481,038	100%	7,216,252	100%	2,739,153	100%	4,543,691	100%	2,765,665	100%
3,825,531	28.61	260,380	5.03	1,219,410	28.88	330,479	6.81	205,760	7.52	227,956	3.56
9,821,356	73.45	1,902,332	42.75	1,247,956	29.56	2,657,055	54.74	1,503,982	55.00	3,453,159	88.79
13,646,887	102.06	2,170,712	48.78	2,467,366	58.44	2,987,535	61.55	1,709,741	62.52	3,681,115	94.33
1,273,929	9.53	134,550	3.03	509,584	12.07	380,543	7.84	202,968	7.42	233,345	5.67
(1,350,205)	(13.59)	2,144,372	48.19	1,244,777	29.49	1,485,791	30.61	822,108	30.06		
13,370,610	100%	4,449,634	100%	4,221,727	100%	4,853,870	100%	2,734,819	100%	4,114,460	100%

ITEM (8) Con't.
EMPLOYMENT OF RESOURCES AND LIABILITIES OF ALL LEXINGTON BANKS
PER YEAR-END CALL REPORTS 1960

	SCHEDULE A - LOANS AND DISCOUNTS (INCLUDING REDISCOUNTS & OVERDRAFTS)	FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SEC
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amou
1.	Real Estate Loans									
(a)	Secured by farm land	368,842	1.03	234,747	1.88	193,929	1.34	246,713	1.91	3
	Secured by residential properties (other than farm) (Items b, c, & d)									
(b)	Insured by FHA	35				18,832	.13			
(c)	Insured or guaranteed by VA	7,990	.02	40,846	.33	37,998	.26			
(d)	Not insured or guaranteed by FHA or VA	2,675,482	7.49	3,485,306	27.95	1,353,991	9.23	3,760,919	29.35	1,0
(e)	Secured by nonfarm nonresidential properties	4,496,120	12.58	1,887,448	15.14	1,878,402	12.81	1,720,646	13.36	6
2.	Loans to financial institutions (include sub-items a & b when used)	100,000	.28	942,986	7.56	765,713	5.22	79,500	.62	
3.	Loans for purchasing or carrying securities (secured or unsecured)									
(a)	To brokers and dealers in securities	1,059,500	2.96	27,100	.22					
(b)	Other loans pertaining to securities			79,597	.64			46,200	.36	3
4.	Loans to farmers (except loans secured by real estate above)									
(a)	Loans directly guaranteed by Commodity Credit Corporation									
(b)	Other loans to farmers (personal in nature) (except loans secured real estate)	2,138,421	5.98	94,332	.76	810,849	5.53	54,507	.42	7
5.	Commercial and industrial loans (except those secured by real estate)	7,559,772	21.15	3,231,320	25.92	6,113,295	41.70	6,170,930	47.90	5
6.	Loans to individuals:									
(a)	To purchase private Auto's. on instalment basis (include purchased paper)	6,715,622	18.79	601,017	4.82	2,055,970	14.02	395,434	3.07	2
(b)	To purchase other retail goods on Inst. basis (include purchased paper)	387,541	1.08	229,457	1.84	324,840	2.21	36,572	.28	
(c)	Instalment loans to repair and modernize residential property	2,618,750	7.32	563,877	4.52	403,618	2.76			
(d)	Other instalment loans for personal expenditures	1,053,356	2.95	413,857	3.32	702,250	4.79	201,885	1.57	
(e)	Single payment loans for personal expenditures	5,602,779	15.67	555,548	4.45			142,418	1.10	1
7.	All other loans (include overdrafts) (to churches etc., not Secured by real estate)	964,801	2.70	81,019	.65	582		7,991	.06	
8.	Loans and Discounts, Gross (total of items 1 to 7)	35,749,021	100%	12,448,866	100%	14,363,674	100%	12,883,820	100%	5,3
9.	Less Reserve for bad debts, etc.	315,249	.88	151,623	1.22	208,098	1.42	143,898	1.13	
10.	Loans and Discounts, Net (Item 8 minus Item 9)	35,433,771	99.12	12,317,243	98.78	14,156,576	98.58	12,737,921	98.87	5,3

Source: 1960 Year-End Call Reports

Note: Cents are omitted and dollar amounts are not rounded off.

FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIONAL		CENTRAL BANK	
Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
368,842	1.03	234,742	1.88	195,929	1.34	246,713	1.91	388,782	7.23	37,648	.48
35				18,859	.13						
7,990	.02	40,845	.33	37,398	.26					6,448	.08
2,675,482	7.49	3,485,306	27.95	1,353,991	9.23	3,780,919	29.35	1,056,550	19.63	1,177,232	14.96
4,496,120	12.58	1,887,448	15.14	1,878,402	12.81	1,720,646	13.36	678,217	12.60	203,461	2.58
100,000	.28	942,986	7.56	765,713	5.22	79,500	.62			140,000	1.78
1,059,500	2.96	27,100	.22							462,756	5.87
		79,997	.64			46,200	.36	344,054	6.41	1,300,370	16.50
2,138,423	5.98	94,332	.76	810,849	5.53	54,507	.42	790,186	14.68	142,583	1.81
7,559,772	21.15	3,231,320	25.92	6,115,295	41.70	6,170,930	47.90	582,633	10.83		
6,715,622	18.79	601,017	4.82	2,055,970	14.02	395,434	3.07	233,414	4.34	441,685	5.61
387,541	1.08	229,457	1.84	324,840	2.21	36,572	.28	115,659	2.15	898,593	11.40
2,618,750	7.32	563,877	4.52	405,618	2.76					14,623	.19
1,053,356	2.95	413,857	3.32	702,880	4.79	201,885	1.57	32,570	.61	1,205,781	15.30
5,502,779	15.67	555,548	4.45			142,418	1.10	1,139,490	21.17	1,207,624	15.32
964,801	2.70	81,019	.65	582		7,991	.06	18,987	.35	641,191	8.14
35,749,021	100%	12,468,866	100%	14,663,674	100%	12,883,820	100%	5,381,448	100%	7,880,981	100%
315,249	.88	151,623	1.22	208,098	1.42	145,898	1.13	19,239	.36	81,306	.01
35,433,771	99.12	12,317,243	98.78	14,456,576	98.58	12,737,921	98.87	5,362,209	99.64	7,798,694	99.99

[1371] *In United States District Court*
DEFENDANT EXHIBIT 44

Item (8) Cont.

Employment of Resources and Liabilities of All Lexington Banks

Per Year-end Call Reports 1960

			FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SEC
			Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amo
		Schedule E-- Demand Deposits									
1	1.	Deposits of individuals, partnerships, and corporations	34,032,815	77.26	11,592,372	95.69	16,272,044	89.03	12,902,509	89.09	7,1
2	2.	Deposits of United States Government	1,035,277	2.33	292,774	2.42	306,271	1.67	110,492	.79	1
3	3.	Deposits of States and political subdivisions	2,644,326	6.00	175,000	1.44	274,277	1.49	1,296,065	9.23	8
4	4.	Deposits of banks in the U. S.	5,908,575	13.48	10,000	.08	1,271,667	6.91	25,000	.18	
5	6.0	Certified and officers' checks	216,881	.93	44,618	.37	165,625	.90	98,280	.71	7
6	7.	Total Demand Deposits	44,035,876	100%	12,114,964	100%	18,289,185	100%	14,033,046	100%	7,4
7											
8											
9											
10		**Schedule F-- Time Deposits**									
11											
12	1.	Deposits of individuals, partnerships, and corporations	12,729,124	89.75	5,111,962	96.69	6,047,457	97.87	5,292,426	96.80	4,9
13	2.	Deposits of United States Government	100,000	.70			7,000	.11			
14	3.	Deposits of States and political subdivisions	1,358,979	9.55	175,000	3.31	125,000	2.02	175,000	3.20	5
15	6.	Total Time Deposits	14,238,104	100%	5,286,962	100%	6,179,457	100%	5,467,426	100%	4,71
16											
17											
18		Source: 1960 Year-end Call Reports									
19		Note: Cents are omitted and dollar amounts are not rounded off.									
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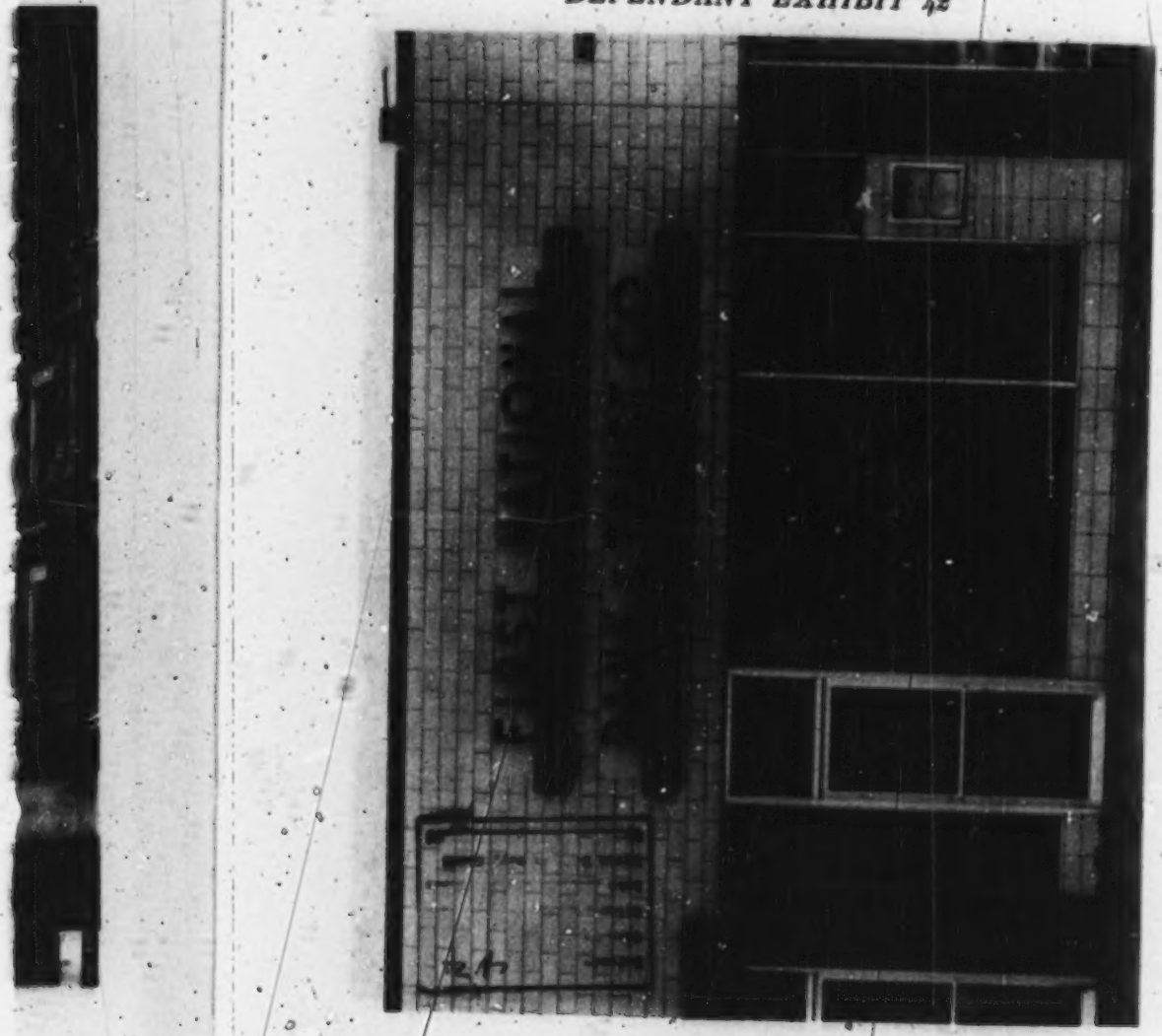
	FIRST NATIONAL		SECURITY TRUST CO.		CITIZENS UNION		BANK OF COMMERCE		SECOND NATIONAL		CENTRAL BANK	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	34,332,815	77.26	11,992,572	95.69	16,372,344	89.03	12,302,309	89.09	7,150,708	96.03	7,241,002	66.59
	1,035,277	2.33	292,774	2.42	306,271	1.67	110,492	.79	136,346	1.83	440,774	4.07
	2,644,326	6.00	175,000	1.44	274,277	1.49	1,296,065	9.23	88,694	1.19	2,474,824	22.86
	5,908,375	13.48	10,000	.08	1,271,667	6.91	25,000	.18			588,451	5.43
	316,381	.93	44,818	.37	164,625	.90	98,980	.71	70,956	.95	81,758	.76
	44,235,376	100%	12,514,964	100%	18,389,185	100%	14,033,046	100%	7,446,706	100%	10,827,611	100%
	12,729,124	89.75	5,111,262	96.69	6,047,457	97.87	5,292,426	96.80	4,460,070	98.93	2,946,183	88.84
	100,000	.70			7,000	.11						
	1,358,979	9.55	175,000	3.31	125,000	2.02	175,000	3.20	50,250	1.07	370,000	11.16
	14,238,104	100%	5,286,262	100%	6,179,457	100%	5,467,426	100%	4,710,320	100%	3,316,183	100%

[1367] *In United States District Court*

DEFENDANT EXHIBIT 40

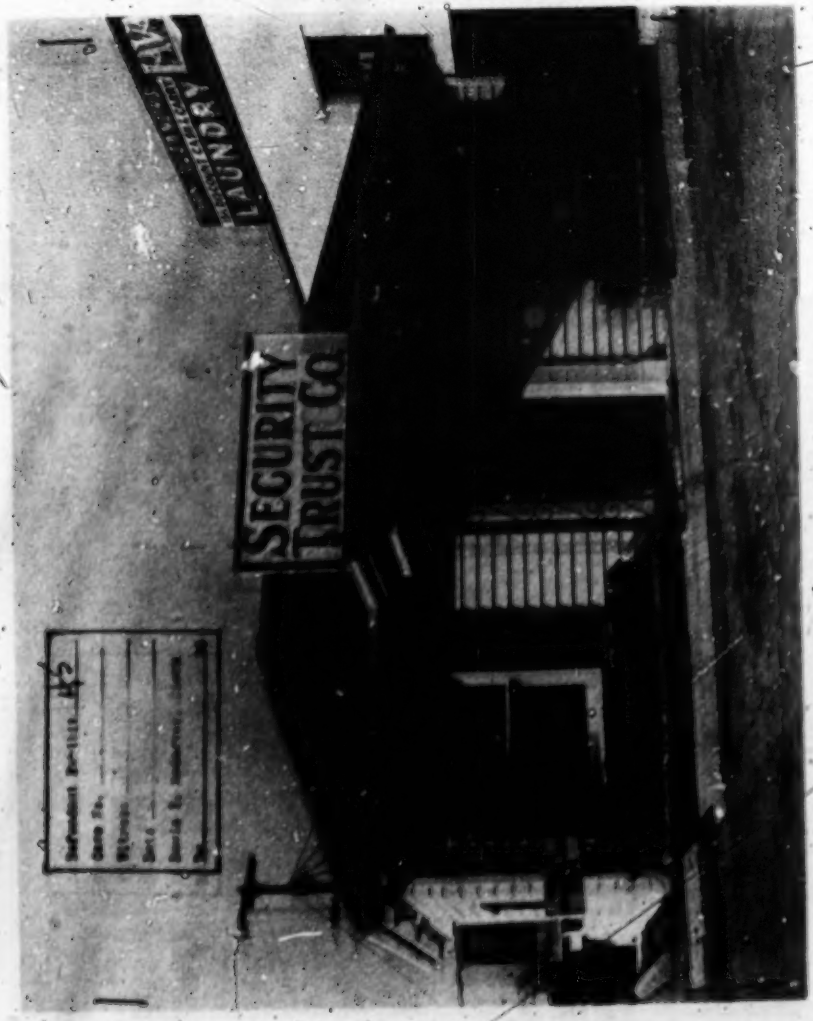
[1368] *In United States District Court*
DEFENDANT EXHIBIT 41

[1369] *In United States District Court*
DEFENDANT EXHIBIT 42



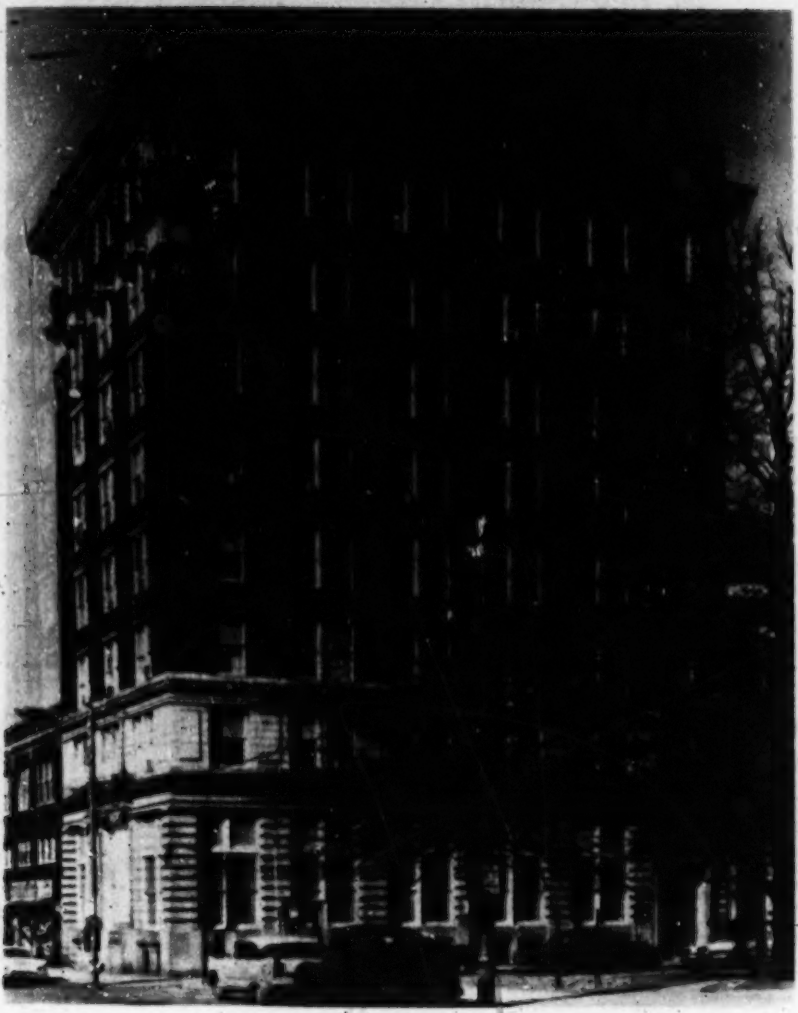
[1370] *In United States District Court*
DEFENDANT EXHIBIT 43

[1372] *In United States District Court*
DEFENDANT EXHIBIT 45

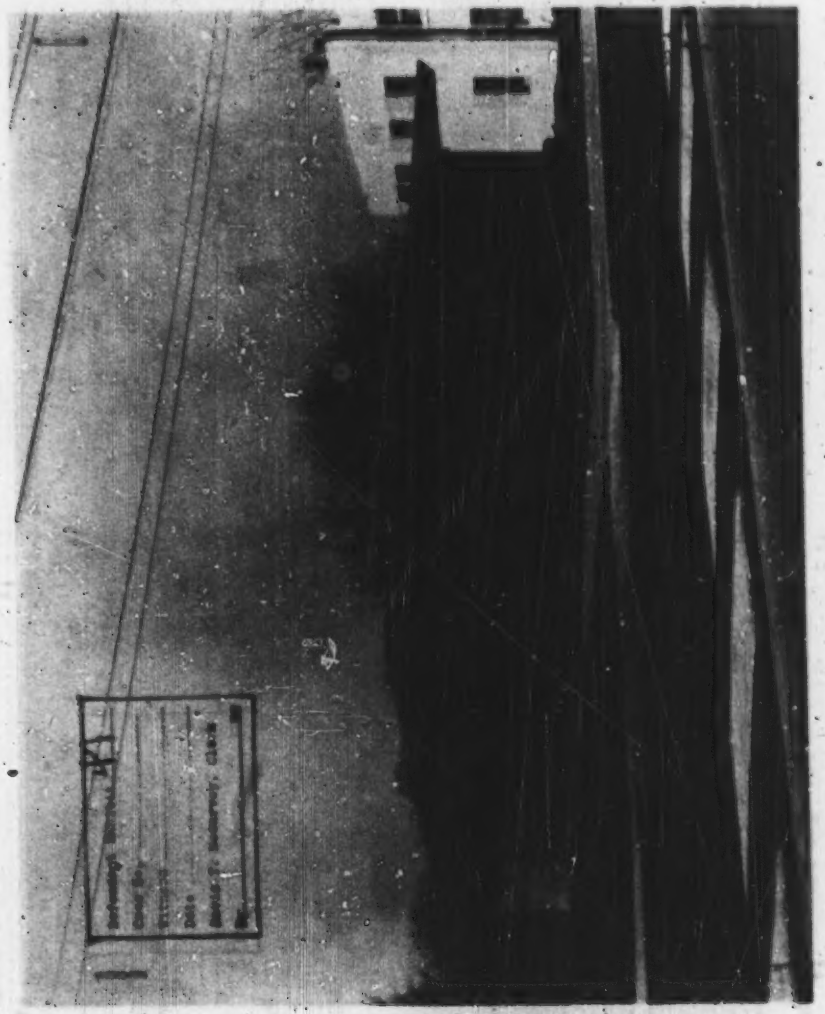


[1373] *In United States District Court*

DEFENDANT EXHIBIT 46



[1374] *In United States District Court*
DEFENDANT EXHIBIT 47

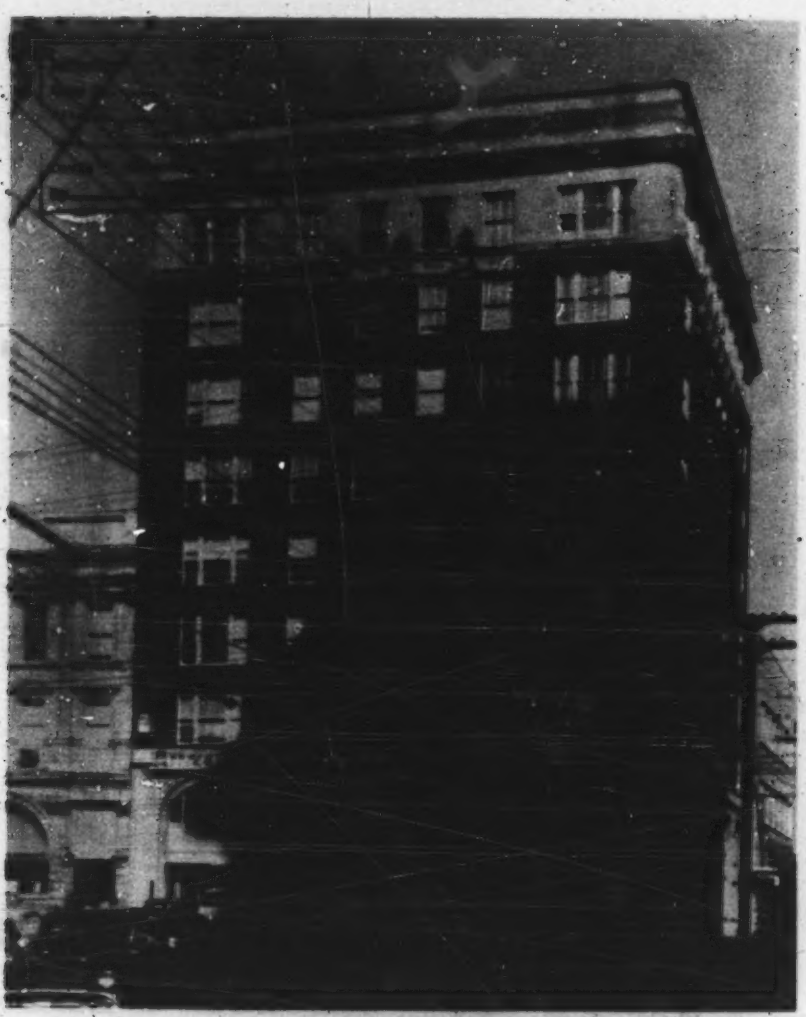


[1375] *In United States District Court*

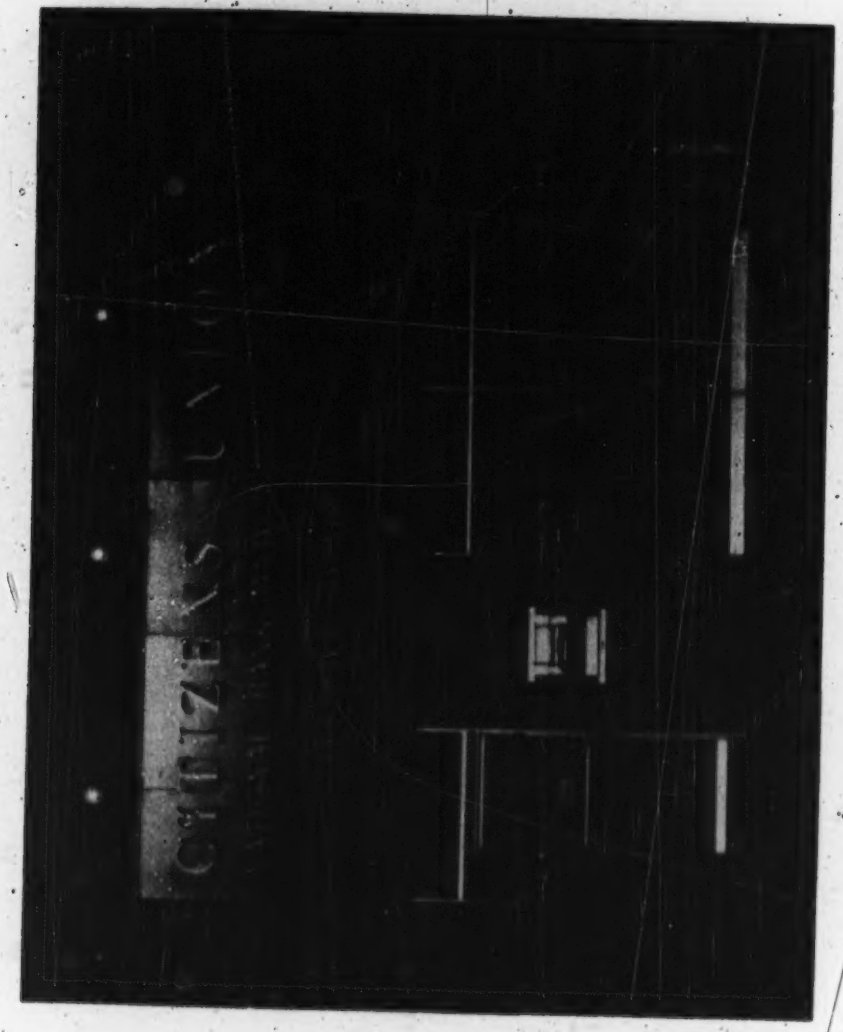
DEFENDANT EXHIBIT 48

[1376] *In United States District Court*

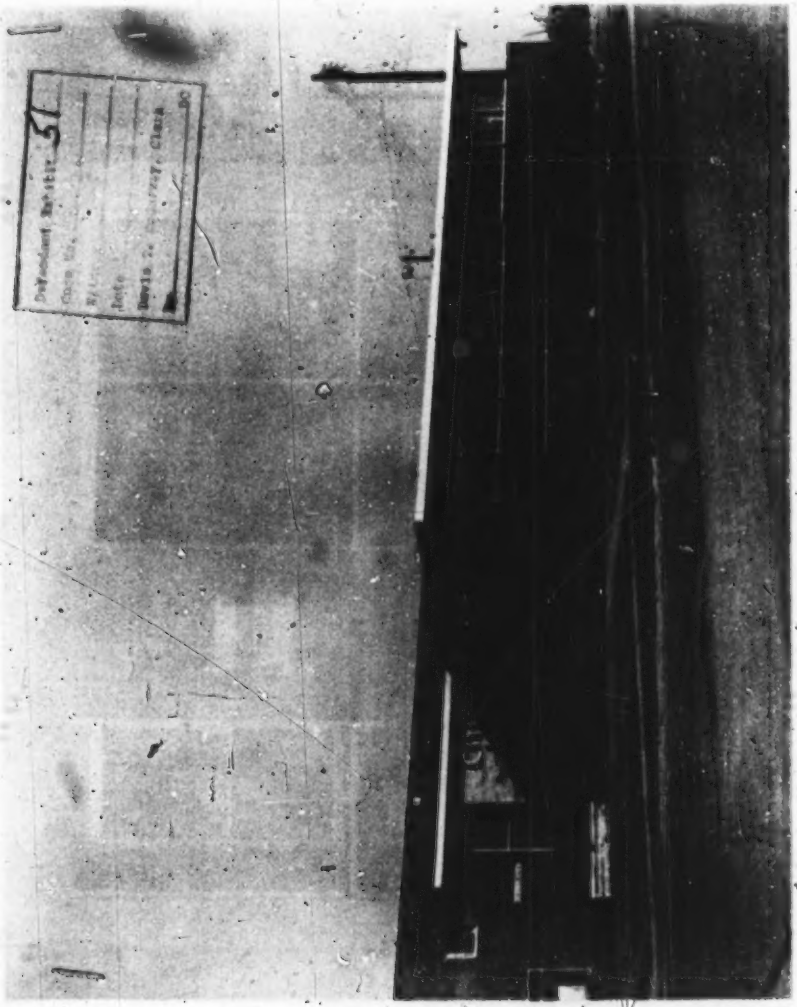
DEFENDANT EXHIBIT 49



[1377] *In United States District Court*
DEFENDANT EXHIBIT 50

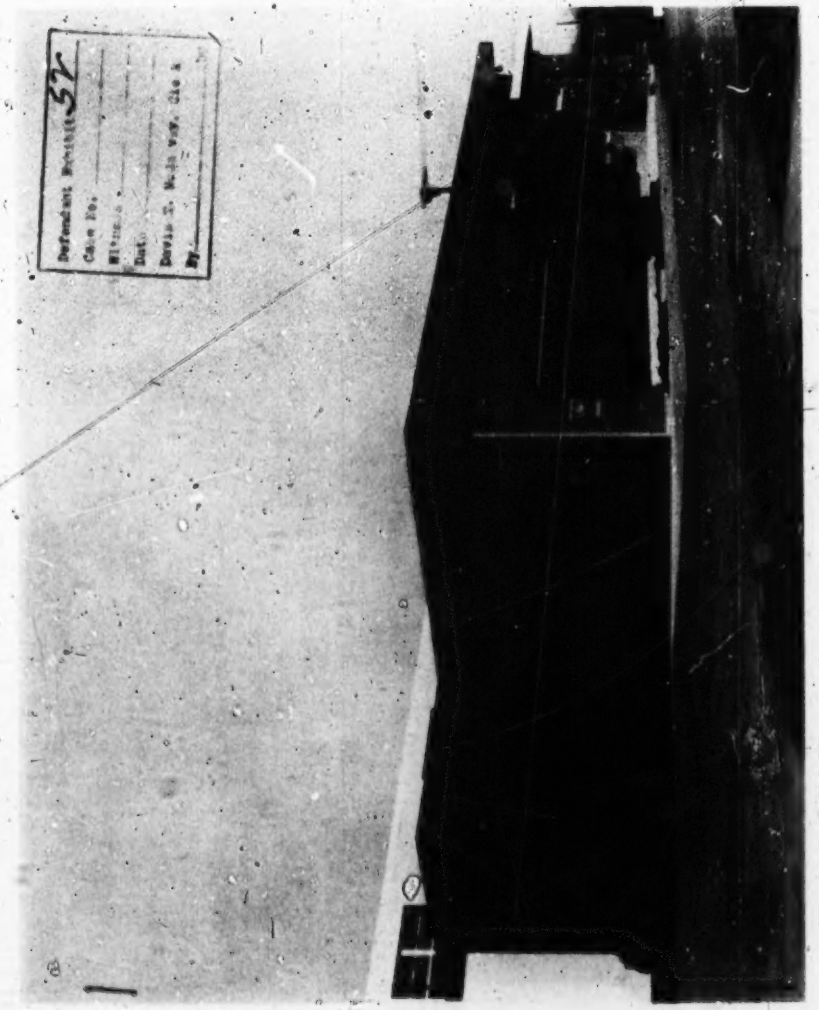


[1378] *In United States District Court*
DEFENDANT EXHIBIT 51

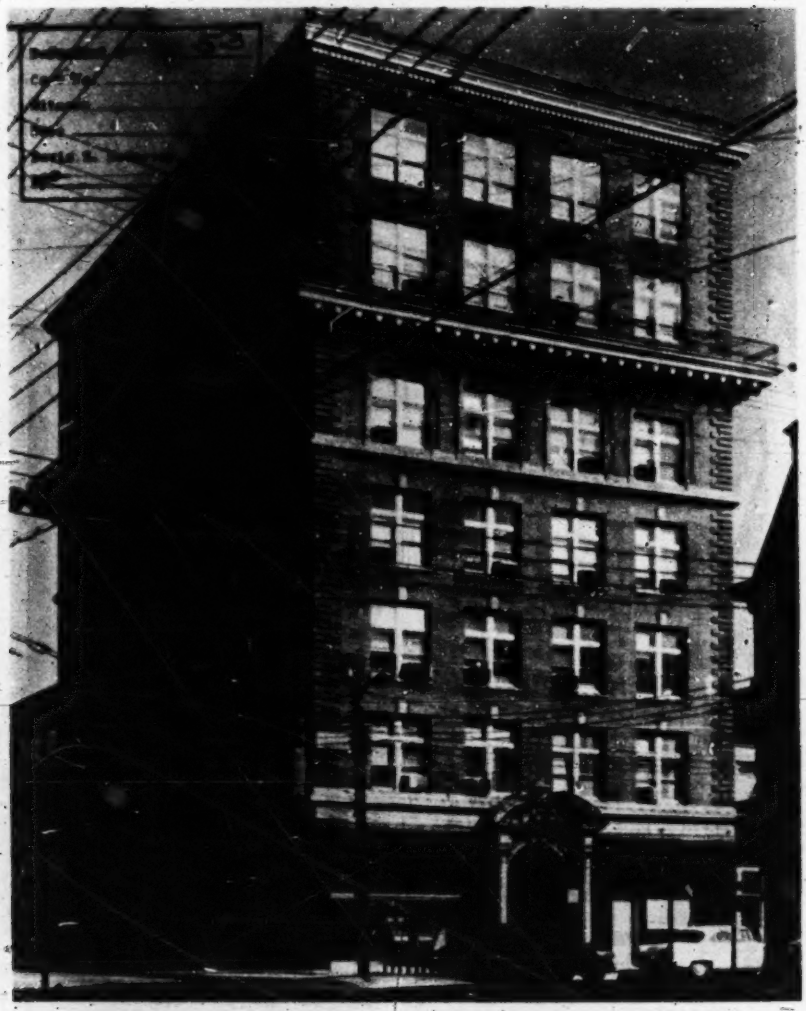


[1379] *In United States District Court*

DEFENDANT EXHIBIT 52

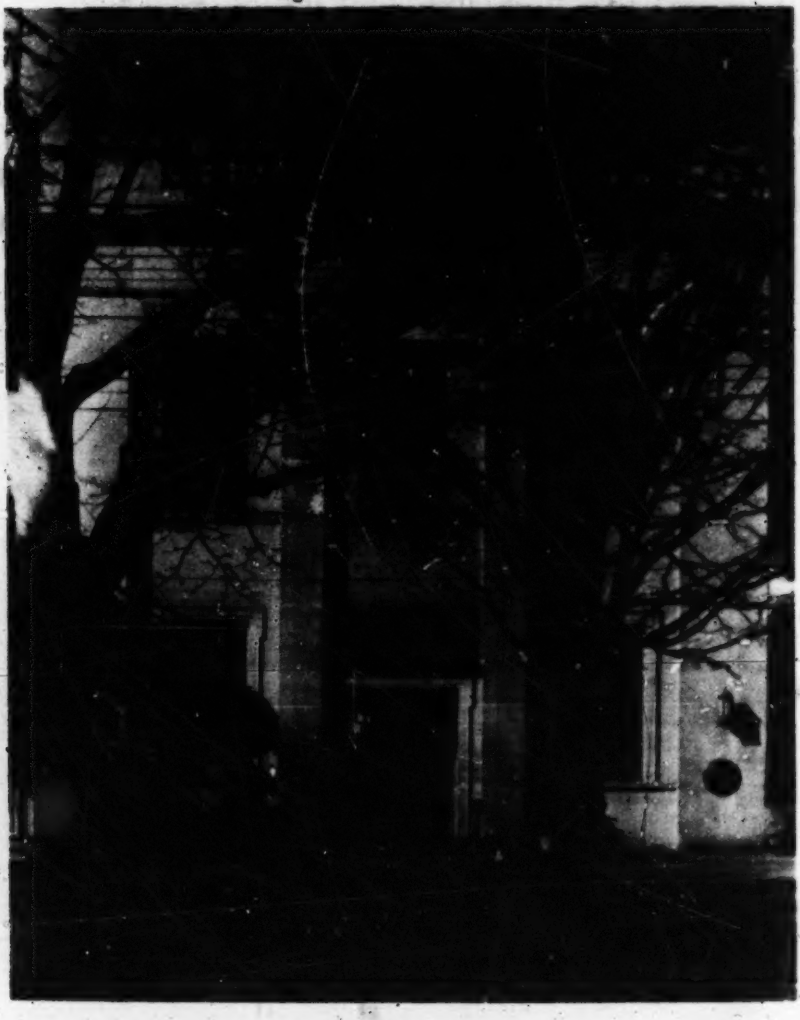


[1380] *In United States District Court*
DEFENDANT EXHIBIT 53



[1381] *In United States District Court*

DEFENDANT EXHIBIT 54



[1382] *In United States District Court*

DEFENDANT EXHIBIT 55

[1383]

In United States District Court
DEFENDANT EXHIBIT 56

Table Showing Proportion of Earnings of Trust Department of First National and Security Trust Company Derived from Corporate Trust Business and from Individual Trust Business for Years Stated

Year	Total Earnings	Earnings from Corporate Trusts		Earnings from Individual Trust Work	
		Dollar Volume	% of Total	Dollar Volume	% of Total
		Security Trust Company			
1959	$ 235,847.94	$ 1,165.65	.49	$ 234,862.29	99.51
1960	230,123.80	3,630.55	1.58	226,493.25	98.42
1961	269,081.08	550.00	.21	268,531.08	99.79
		First National			
1959	$ 153,319.00	$ 7,031.92	4.58	$ 146,287.08	95.42
1960	168,627.00	7,214.07	4.27	161,412.93	95.73
1961	224,062.00	6,732.29	3.00	217,329.71	97.00

SOURCE: Figures are taken from records of two Trust Departments as to earnings for years indicated.

[1384] *In United States District Court*

DEFENDANT EXHIBIT 57

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF OTHER INSTALLMENT LOANS FOR PERSONAL EXPENDITURES HELD BY COMMERCIAL BANKS IN FAYETTE COUNTY, KENTUCKY, AS OF DECEMBER 31, 1960

1- Commercial Banks	$ Volume	% of Total of Banks
a) First National	1,053,356	29.18
b) Security Trust	413,859	11.47
c) Citizens Union	702,250	19.46
d) Bank of Commerce	201,885	5.59
e) Second National	32,571	.90
f) Central Bank	1,205,782	33.40
Total	$3,609,741	100.00

Source: Figures are taken from Reports of Condition of Each Bank as of 12/31/60

EMPLOYMENT OF RESOURCES AND LIABILITIES
OF ALL BANKS (UNITED STATES - STATES AND OTHER AREAS)
PER F.D.I.C. REPORT NO. 54 DATED DECEMBER 31, 1960

ASSETS

Cash balances with other banks & cash items in process of collection
United States Government Obligations
Obligations of States and Political Subdivisions
Other Bonds, Notes and Debentures
Corporate Stocks (including stock of Federal Reserve Bank)
Loans and Discounts
Bank Premises Owned, Furniture and Fixtures
Other Assets
Total Assets

LIABILITIES

Demand Deposits of Individuals, Partnerships and Corporations
Time Deposits of Individuals, Partnerships and Corporations
Deposits of United States Government (including postal savings)
Deposits of States and Political Subdivisions
Deposits of Banks
Other Deposits
Other Liabilities
Total Liabilities

CAPITAL ACCOUNTS

Capital Stock
Surplus
Undivided Profits
Reserves
Total Capital Accounts

Total Liabilities and Capital Accounts

In United States District Court

DEFENDANT EXHIBIT 68

ALL BANKS
DECEMBER 31, 1960

AMOUNT	PERCENT
53,105,191	17.76
67,343,341	22.53
18,280,540	6.12
6,936,857	2.32
1,456,276	.49
145,254,712	48.59
3,107,655	1.04
3,448,321	1.15
298,932,893	100%
117,390,273	39.26
103,383,477	34.58
6,241,200	2.09
16,370,311	5.48
18,899,041	6.32
4,620,246	1.55
7,445,646	2.49
274,330,194	91.77
6,351,618	2.14
12,510,308	4.18
4,896,049	1.63
844,726	.28
24,602,699	8.23
298,932,893	100%

[1386] *In United States District Court*

DEFENDANT EXHIBIT 59

TABLE SHOWING LOCATION OF BORROWERS AND NUMBER AND PERCENTAGE OF TOTAL OF DIRECT AND INDIRECT LOANS OF CERTAIN TYPES OF INSTALLMENT LOANS OF FIRST NATIONAL OUTSTANDING AS OF AUGUST 15, 1961.

Type of Loan and Total No. of Each Type	DIRECT		INDIRECT		OUT OF COUNTY BORROWERS		FAYETTE COUNTY BORROWERS	
	Number of Loans	% of Total	Number of Loans	% of Total	Number of Loans	% of Total	Number of Loans	% of Total
FHA Title I (3975)	711	17.87	3268	82.13	1975	49.64	2004	50.36
Appliance Loans (1236)	120	9.71	1116	90.29	420	33.98	816	66.02
Automobile Loans (6113)	1483	24.26	4630	75.74	1947	31.85	4166	68.15
Personal Loans (2191)	1731	79.01	460	20.99	465	21.22	1725	78.78

SOURCE: Survey of records of First National (Head Office) made as of 8/15/61

EXPLANATION: "Direct" loans are those made directly to the borrower on his application made in person at the bank. "Indirect" loans are those purchased by the bank from a dealer in automobiles, appliances, farm implements or other items where the bank purchases the note and the documents securing the payment of the note from the dealer where no application is made by the obligor on the note directly to the bank. Out of County Borrowers are those who reside outside of Fayette County, Kentucky, and Fayette County Borrowers are those who reside within Fayette County. The foregoing data was compiled directly from official records of the bank as of August 15, 1961.

I certify that the foregoing figures as to number of loans were compiled from records held in my custody by employees under my supervision and that the foregoing information is true and correct.

J. D. REEVES,
Vice President
First Security National Bank
and Trust Company of Lexington
In charge of Installment Loan
Department of First National

[1387]

CHARTERED 1865

First Security
NATIONAL BANK AND TRUST COMPANY

Lexington, Kentucky
August 15, 1961

FHA TITLE I LOANS:

2,004 loans made to residents of Fayette County of which 135 are delinquent five days or more.
1,975 loans made to out of town residents of which 178 are delinquent five days or more.

Total of 3,979 loans outstanding of which 711 are direct

APPLIANCE LOANS:

816 loans made to residents of Fayette County
420 loans made to out of town residents

Total of 1,236 loans of which 120 are direct

AUTOMOBILE LOANS:

4,166 loans made to residents of Fayette County of which 354 are delinquent five days or more.
1,947 loans made to out of town residents of which 193 are delinquent five days or more.

Total of 6,113 loans of which 1,483 are direct

Indirect loans represent 75% of all loans and 68% of all loans were made to residents of Fayette County.

PERSONAL LOANS:

1,726 loans made to residents of Fayette County
465 loans made to out of town residents

Total of 2,191 loans outstanding of which 1,731 are direct

[1388] *In United States District Court*
DEFENDANT EXHIBIT 60

DISTRIBUTION OF ASSETS OF PRIVATE FINANCIAL INSTITUTIONS 1900, 1929, 1945 AND 1958 FOR UNITED STATES

	1900	1929	1945	1958
	Percent			
Commercial Banks	52.9	41.8	56.5	39.5
Demand Deposit Business (a)	47.3	29.5	45.8	28.7
Savings and Time Deposit Business (a)	5.6	12.3	10.7	10.8
Mutual Savings Banks	12.7	6.2	6.0	6.2
Savings and Loan Associations	2.6	4.7	3.1	9.1
Credit Unions			0.1	0.7
Finance, Mortgage and Loan Companies	1.1	2.1	0.7	3.4
Life Insurance Companies	9.0	11.0	15.8	17.8
Other Insurance Companies	2.6	3.5	3.3	5.0
Private Pension Funds		0.3	.8	4.1
Investment Companies (b)		4.7	1.3	3.3
Personal Trust Departments (c)	15.9	18.9	10.2	9.3
Security Brokers and Dealers	3.2	6.7	2.1	1.6
Total	100.00	100.00	100.00	100.00

Details May Not Add to Totals Because of Rounding

(a) Allocated in proportion of deposit liabilities
(b) Includes investment holding companies
(c) Includes common trust funds

NOTE: The foregoing is a reproduction of a table designated as Table 3, found at page 155, the Report of the Commission on Money and Credit, Prentice-Hall, Inc., 1961

[1389] *In United States District Court*
DEFENDANT EXHIBIT 61

TABLE SHOWING DOLLAR VALUE OF TIME AND SAVINGS DEPOSITS OF LEXINGTON BANKS AND SAVINGS OR SHARE ACCOUNTS OF LEXINGTON BUILDING AND SAVINGS AND LOAN ASSOCIATIONS AS OF 6/30/61 and PERCENTAGE OF TOTAL HELD BY EACH.

NAME OF INSTITUTION	DOLLAR AMOUNT	% OF TOTAL HELD
A - COMMERCIAL BANKS:		
1) First Security	$19,388,251.00	23.82
2) Citizens Union	6,518,214.00	8.01
3) Bank of Commerce	5,612,404.00	6.89
4) Second National	4,902,512.00	6.02
5) Central Bank	3,278,150.00	4.02
Subtotal . . .	$39,699,531.00	48.76
B - BUILDING AND SAVINGS & LOAN ASSOCIATIONS:		
1) First Federal	$17,995,219.00	22.11
2) Lexington Federal	16,343,505.00	20.08
3) People's S.F. & B. A.	3,706,684.00	4.55
4) New Union B.A.	3,661,569.00	4.50
Subtotal . . .	$41,706,977.00	51.24
GRAND TOTAL	$81,406,508.00	100.00

SOURCE: Published Statements of each Institution as of 6/30/61.

[1390] *In United States District Court*

DEFENDANT EXHIBIT 62

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF REAL ESTATE MORTGAGE LOANS OF EACH LISTED LENDING AGENCY FOR THE YEAR JUNE 1, 1960 TO MAY 31, 1961 IN FAYETTE COUNTY, KY.*

LENDING AGENCIES	Dollar Volume of Loans	% of Loans of Banks	% of All Loans
First National	$4,588,994.)		
Security Trust	2,511,924.)- -	54.54	15.81
First Security	1,280,225)		
All other Lexington Banks	6,985,033	45.46	13.18
Total for Local Banks	15,366,176	100.00	28.99
All Agencies Except Local Banks	37,647,889.		71.01
GRAND TOTALS	53,014,067		100.00

SOURCE: Tabulations made by addition of figures shown on published weekly reports of court recordings compiled by Lexington Credit Bureau.

* The foregoing figures include all real estate mortgages recorded for the period indicated. No unrecorded mortgages are included.

[1391] *In United States District Court*

DEFENDANT EXHIBIT 63

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF CHATTEL MORTGAGE LOANS OF EACH LISTED LENDING AGENCY FOR THE YEAR JULY 1, 1959 TO JUNE 30, 1960 IN FAYETTE COUNTY, KY.*

LENDING AGENCIES	DOLLAR VOLUME OF LOANS	% of Loans of Banks	% of all Loans
FIRST NATIONAL	$ 932,417.)	49.63	8.35
SECURITY TRUST	457,397.)		
ALL OTHER LEXINGTON BANKS	1,410,392.	50.37	8.48
TOTAL FOR LOCAL BANKS	2,800,206.	100,00	16.83
ALL AGENCIES EXCEPT LOCAL BANKS	13,841,987.		83.17
GRAND TOTALS	16,642,193		100.00

SOURCE: Tabulations made by addition of figures shown on published weekly reports of court recordings compiled by Lexington Credit Bureau.

* The foregoing figures include all chattel mortgages for the period indicated. No unrecorded chattel mortgages are included.

[1392] *In United States District Court*

DEFENDANT EXHIBIT 64

LIST OF CITIES IN UNITED STATES WITH POPULATION OF 50,000 TO 250,000 WITH NUMBER OF BANKS WITH HEAD OFFICES (NOT INCLUDING ANY BRANCH OFFICES OF ANY BANKS) IN EACH CITY AND NUMBER OF PERSONS PER SUCH BANK IN EACH CITY INDICATED

	City	Population 1960 Census	No. of Banks	No. of Persons Per Bank
1.	Dundark, Md.	82,428	1	82,428
2.	Woodbridge, N. J.	78,846	1	78,846
3.	Mobine, Ala.	202,779	3	67,593
4.	Albuquerque, N. Mex.	201,189	3	67,063
5.	Hialeah, Florida	66,972	1	66,972
6.	Flint, Mich.	196,940	3	65,646
7.	Hamilton, N. J.	65,035	1	65,033
8.	Gary, Indiana	178,320	3	59,440
9.	East Chicago, Ind.	57,669	1	57,669
10.	Dearborn, Mich.	112,007	2	56,003
11.	Kettering, Ohio	54,462	1	54,462
12.	Lincoln Park, Mich.	53,933	1	53,933
13.	University City, Mo.	51,249	1	51,249
14.	Roseville, Mich.	50,195	1	50,195
15.	Chattanooga, Tenn.	130,009	3	43,336
16.	Youngstown, Ohio	166,689	4	41,672
17.	Parma, Ohio	82,845	2	41,422
18.	Pontiac, Mich.	82,233	2	41,116
19.	Royal Oak, Mich.	80,612	2	40,306
20.	East Orange, N. J.	77,259	2	38,629
21.	St. Clair Shores, Mich.	76,657	2	38,328
22.	Yonkers, N. Y.	190,634	5	38,126
23.	Bethlehem, Pa.	75,408	2	37,704
24.	Spokane, Wash.	181,608	5	36,321
25.	Syracuse, N. Y.	216,038	6	36,006
26.	Lansing, Mich.	107,807	3	35,935
27.	Patterson, N. J.	143,663	4	35,915
28.	Grand Rapids, Mich.	177,313	5	35,462
29.	Altoona, Pa.	69,407	2	34,703
30.	Montgomery, Ala.	134,393	4	33,598
31.	Livonia, Mich.	66,702	2	33,351
32.	Shreveport, La.	164,372	5	32,874
33.	Saginaw, Mich.	98,265	3	32,755
34.	Ft. Wayne, Ind.	161,776	5	32,355
35.	Tuscaloosa, Ala.	63,370	2	31,685
36.	Baton Rouge, La.	152,419	5	30,483
37.	Laredo, Texas	60,678	2	30,339
38.	Greensboro, N. Car.	119,574	4	29,893
39.	Warren, Ohio	59,648	2	29,824
40.	Atlantic City, N. J.	59,544	2	29,772
41.	Davenport, Iowa	88,981	3	29,660
42.	Pasadena, Texas	58,737	2	29,368
43.	Camden, N. J.	117,159	4	29,289
44.	Columbus, Ga.	116,779	4	29,194
45.	N. Little Rock, Ark.	58,032	2	29,016

[1393]

	City	Population 1940 Census	No. of Banks	No. of Persons Per Bank
46.	Jackson, Miss.	144,422	5	28,884
47.	Hammond, Ind.	111,698	4	27,924
48.	Abington, Pa.	55,831	2	27,915
49.	Winston-Salem, N. C.	111,135	4	27,783
50.	Erie, Pa.	138,440	5	27,688
51.	Amarillo, Texas	137,969	5	27,593
52.	Richmond, Va.	219,958	8	27,494
53.	Clifton, N. J.	82,084	3	27,361
54.	Wheaton, Md.	54,635	2	27,317
55.	Berwyn, Ill.	54,224	2	27,112
56.	Allentown, Pa.	108,347	4	27,086
57.	Passiac, N. J.	53,963	2	26,981
58.	Bay City, Mich.	53,604	2	26,802
59.	Waterbury, Conn.	107,130	4	26,782
60.	South Bend, Ind.	132,445	5	26,489
61.	Evanston, Ill.	79,283	3	26,427
62.	Monroe, La.	52,219	2	26,109
63.	Providence, R.I.	207,498	8	25,937
64.	Bloomfield, N.J.	51,867	2	25,933
65.	Rock Island, Ill.	51,863	2	25,931
66.	Union, N. J.	51,499	2	25,749
67.	Lubbock, Texas	128,691	5	25,738
68.	New Rochelle, N. Y.	76,812	3	25,604
69.	Niagara Falls, N.Y.	102,394	4	25,598
70.	Lima, Ohio	51,037	2	25,518
71.	Wichita Falls, Texas	101,734	4	25,431
72.	Jackson, Mich.	50,720	2	25,360
73.	Rockford, Ill.	126,706	5	25,341
74.	Mt. Vernon, N. Y.	76,010	3	25,336
75.	Bloomington, Minn.	50,498	2	25,249
76.	Hiasville, N. Y.	50,405	2	25,202
77.	Charlotte, N. C.	201,564	8	25,195
78.	Utica, N. Y.	100,410	4	25,102
79.	Springfield, Mass.	174,463	7	24,923
80.	Bayonne, N.J.	74,215	3	24,738
81.	Tacoma, Wash.	147,979	6	24,663
82.	Reading, Pa.	98,177	4	24,544
83.	Nashville, Tenn.	170,874	7	24,410
84.	Roanoke, Va.	97,110	4	24,277
85.	Huntsville, Ala.	72,365	3	24,121
86.	Hamilton, Ohio	72,354	3	24,118
87.	Corpus Christi, Tex.	167,690	7	23,955
88.	Waterloo, Iowa	71,755	3	23,918
89.	Somerville, Mass.	94,697	4	23,674
90.	Evansville, Ind.	141,543	6	23,590
91.	Austin, Texas	186,545	8	23,318
92.	Newton, Mass.	92,384	4	23,096
93.	Cicero, Ill.	69,130	3	23,043
94.	Portsmouth, Va.	114,773	5	22,954
95.	Muncie, Ind.	68,603	3	22,867
96.	Pueblo, Colo.	91,181	4	22,795
97.	Alexandria, Va.	91,023	4	22,755
98.	Canton, Ohio	113,631	5	22,726
99.	West Allis, Wis.	68,157	3	22,719
100.	St. Petersburg, Fla.	181,298	8	22,662

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[1304]

	City	Population 1960 Census	No. of Banks	No. of Persons Per Bank
101.	Kenosha, Wis.	67,899	3	22,633
102.	Abilene, Texas	90,368	4	22,592
103.	Ann Arbor, Mich.	67,340	3	22,446
104.	Hampton, Va.	89,258	4	22,314
105.	Warren, Mich.	89,246	4	22,311
106.	Port Arthur, Tex.	66,676	3	22,225
107.	Silver Springs, Md.	66,348	3	22,116
108.	Greenville, S.C.	66,188	3	22,062
109.	Charleston, S.C.	65,925	3	21,975
110.	Quincy, Mass.	87,409	4	21,852
111.	Chester, Pa.	63,658	3	21,219
112.	Salt Lake City, Utah	159,454	9	21,050
113.	Midland, Texas	62,625	3	20,875
114.	Kalamazoo, Michigan	82,089	4	20,522
115.	Chicopee, Mass.	61,553	3	20,517
116.	New Bedford, Mass.	102,477	5	20,495
117.	Odessa, Texas	80,338	4	20,084
118.	Irvington, N.J.	59,739	3	19,913
119.	Skokie, Ill.	59,364	3	19,788
120.	San Angelo, Texas	58,815	3	19,605
121.	Bridgeport, Conn.	156,748	8	19,593
122.	Waco, Texas	97,808	5	19,561
123.	Springfield, Mo.	95,865	5	19,173
124.	Trenton, N.J.	114,167	6	19,027
125.	Binghampton, N.Y.	75,941	4	18,985
126.	Wauwatosa, Wis.	56,923	3	18,974
127.	Newport News, Va.	113,662	6	18,943
128.	Dubuque, IOwa	56,606	3	18,868
129.	Bethesda, Md.	56,527	3	18,842
130.	W. Palm Beach, Fla.	56,208	3	18,736
131.	Worcester, Mass.	186,587	10	18,658
132.	Knoxville, Tenn.	111,827	6	18,637
133.	Upper Darby, Pa.	93,158	5	18,631
134.	Waukegan, Ill.	55,719	3	18,573
135.	Brockton, Mass.	72,813	4	18,203
136.	Council Bluffs, Iowa	54,361	3	18,120
137.	Hartford, Conn.	162,718	9	18,019
138.	Brookline, Mass.	54,044	3	18,014
139.	Little Rock, Ark.	107,813	6	17,968
140.	Greenwich, Conn.	53,793	3	17,931
141.	Ft. Smith, Ark.	52,991	3	17,663
142.	Ogden, Utah	70,197	4	17,549
143.	Macon, Ga.	69,764	4	17,441
144.	Des Moines, Iowa	208,982	12	17,415
145.	Penn Hills, Pa.	51,512	3	17,170
146.	Beaumont, Texas	119,175	7	17,025
147.	Eugene, Ore.	50,977	3	16,992
148.	Troy, N.Y.	67,492	4	16,873
149.	White Plains, N.Y.	50,485	3	16,828
150.	Galveston, Texas	67,175	4	16,793
151.	Lorain, Ohio	66,932	4	16,733
152.	Huntington, W.Va.	83,627	5	16,725
153.	Joliet, Ill.	66,780	4	16,695
154.	Cranston, R.I.	66,766	4	16,691
155.	Springfield, Ill.	83,271	5	16,654
156.	Savannah, Ga.	149,245	9	16,582

3.

[1407] *In United States District Court*
DEFENDANT EXHIBIT 78

COMPARISON OF COMMERCIAL GROWTH IN LEXINGTON AND FAYETTE COUNTY WITH GROWTH OF COMMERCIAL BANKS FROM 1954 to 1958

GROWTH OF BANKS

	1954	1958	% INCREASE OR DECREASE
FIRST NATIONAL			
1. Total Deposits	$43,171,366	$57,836,682	33.97
2. Total Loans	18,334,701	26,627,977	45.23
3. Total Assets	47,336,005	63,334,271	33.80
SECURITY TRUST			
1. Total Deposits	16,858,592	16,797,474	(0.36)
2. Total Loans	8,226,358	12,151,159	47.71
3. Total Assets	19,494,471	20,050,891	2.85
CITIZENS UNION			
1. Total Deposits	20,813,913	24,124,963	15.91
2. Total Loans	8,525,281	11,722,685	37.50
3. Total Assets	23,175,162	26,783,455	15.57
BANK OF COMMERCE			
1. Total Deposits	14,416,246	20,434,119	41.74
2. Total Loans	8,215,000	9,335,073	13.63
3. Total Assets	15,624,087	21,764,383	39.30
SECOND NATIONAL			
1. Total Deposits	8,233,412	11,000,434	33.61
2. Total Loans	3,272,000	5,392,422	64.80
3. Total Assets	9,768,201	12,012,783	22.98
CENTRAL BANK			
1. Total Deposits	6,338,546	8,342,155	34.76
2. Total Loans	3,806,591	4,634,647	21.75
3. Total Assets	6,869,302	9,118,807	32.75
ALL LEXINGTON BANKS			
1. Total Deposits	109,832,075	138,735,827	26.32
2. Total Loans	50,379,931	69,863,963	38.67
3. Total Assets	122,267,228	153,064,590	25.19

NOTE: Average of all commercial bank growth is 30.06%

SOURCE: Published Statements of Banks as of 12/31/54 and 12/31/58

COMMERCIAL GROWTH

RETAIL TRADE	1954	1958	% INCREASE OR DECREASE
No. of Establishments	1,090	1,138	4.40
Total Payroll	16,726,000	20,363,000	21.74
Total Sales	129,508,000	170,427,000	31.59
SELECTED SERVICES			
No. of Establishments	511	711	39.14
Total Payroll	5,306,000	8,133,000	53.28
Total Sales	16,671,000	25,540,000	53.20
WHOLESALE TRADE			
No. of Establishments	207	227	9.66
Total Payroll	8,896,000	10,560,000	18.70
Total Sales	203,424,000	211,672,000	4.05
MANUFACTURING			
No. of Establishments	104	127	22.11
Total No. of Employees	4,317	7,736	79.20
Total Payroll	13,156,000	35,767,000	171.87
Value Added by Manufacture	26,472,000	80,277,000	203.25
Capital Expenditures	2,151,000	14,590,000	578.29

SOURCE: Exhibit N of Application to Comptroller

[1395]

	City	Population 1960 Census	No. of Banks	No. of Persons Per Bank
157.	Springfield, Ohio	82,723	5	16,544
158.	Lakewood, Ohio	66,154	4	16,538
159.	New Brittain, Conn.	82,201	5	16,440
160.	Schenectady, N.Y.	81,682	5	16,336
161.	Medford, Mass.	64,971	4	16,242
162.	Columbia, S.C.	97,433	6	16,238
163.	Lincoln, Neb.	128,521	8	16,065
164.	Aurora, Ill.	63,715	4	15,928
165.	Lake Charles, La.	63,392	4	15,848
166.	Euclid, Ohio	62,998	4	15,749
167.	Lynn, Mass.	94,478	6	15,746
168.	Raleigh, N.C.	93,931	6	15,655
169.	West Hartford, Conn.	62,382	4	15,595
170.	Independence, Mo.	62,328	4	15,582
171.	High Point, N.C.	62,063	4	15,515
172.	Cleveland Heights, O.	61,810	4	15,453
173.	Lawton, Okla.	61,697	4	15,424
174.	Elizabeth, N.J.	107,698	7	15,385
175.	Cedar Rapids, Iowa	92,035	6	15,339
176.	Oak Park, Ill.	61,093	4	15,273
177.	New Haven, Conn.	152,048	10	15,205
178.	Asheville, N.C.	60,192	4	15,048
179.	Racine, Wis.	89,144	6	14,857
180.	Gadsden, Ala.	58,088	4	14,522
181.	Terre Haute, Ind.	72,500	5	14,500
182.	Malden, Mass.	57,676	4	14,419
183.	Fall River, Mass.	99,942	7	14,277
184.	Charleston, W. Va.	85,796	6	14,299
185.	Madison, Wis.	126,706	9	14,078
186.	Scranton, Pa.	111,443	8	13,930
187.	Great Falls, Mont.	55,357	4	13,839
188.	Warwick, R. I.	68,504	5	13,700
189.	E. St. Louis, Ill.	81,712	6	13,618
190.	Norwalk, Conn.	67,775	5	13,555
191.	Duluth, Minn.	106,884	8	13,360
192.	Harrisburg, Pa.	79,697	6	13,282
193.	Stamford, Conn.	92,713	7	13,244
194.	Lowell Mass.	92,107	7	13,158
195.	Levittown, N.Y.	65,276	5	13,055
196.	Durham, N.C.	78,302	6	13,050
197.	Union City, N.J.	52,180	4	13,045
198.	Decatur, Ill.	78,004	6	13,001
199.	Albany, N.Y.	129,726	10	12,972
200.	Rome, N.Y.	51,646	4	12,911
201.	Peoria, Ill.	103,162	8	12,895
202.	Tyler, Texas	51,230	4	12,807
203.	Jacksonville, Fla.	201,030	16	12,564
204.	Lexington, Ky.	62,810	5	12,562
205.	Lancaster, Pa.	61,055	5	12,211
206.	Portland, Maine	72,566	6	12,094
207.	Cambridge, Mass.	107,716	9	12,968
208.	Topeka, Kansas	119,484	10	11,948
209.	Augusta, Ga.	70,626	6	11,771
210.	Pittsfield, Mass.	57,879	5	11,575
211.	Pawtucket, R. I.	81,001	7	11,571

[1408] *In United States District Court*

DEFENDANT EXHIBIT 74

EXPLANATORY NOTE

The figures on the attached chart were taken and compiled from the official order books of the Fayette County Court. Included in this chart are all fiduciary appointments that are made by the Fayette County Court and these are administrators, executors, administrators with the will annexed, trustees of testamentary trusts, guardians of infants, committees of incompetents and curators. When any application is filed with the Fayette County Court to be appointed as a fiduciary in any of the above listed capacities, such fiduciary is required to state under oath the best estimate of the value of the real and personal property found in the estate. All fiduciaries are required to execute a bond for the fair value of the personal property and for the real estate, if the fiduciary possesses a power of sale over the real estate, or if it will be necessary to sell the real estate to raise sufficient cash to pay the debts and costs of administration, or any other obligations of the estate. The necessity of a surety on the bond of the fiduciary may be dispensed with, but the bond is required in all instances. The figures contained on the attached chart are the amounts of the bonds executed by the listed fiduciaries for the years indicated. No fiduciaries other than those appointed by the Fayette County Court are included on the attached chart.

[1396]

	City	Population 1960 Census	No. of Banks	No. of Persons Per Bank
212.	Pensacola, Fla.	56,752	5	11,350
213.	Albany, Ga.	55,890	5	11,178
214.	Sioux City, Iowa	89,159	8	11,144
215.	Waltham, Mass.	55,413	5	11,082
216.	Lynchburg, Va.	54,790	5	10,958
217.	Sioux Falls, S.D.	65,466	6	10,911
218.	York, Pa.	54,504	5	10,900
219.	Wilmington, Dela.	95,827	9	10,647
220.	Billings, Mont.	52,851	5	10,570
221.	Green Bay, Wis.	62,888	6	10,481
222.	Lawrence, Mass.	70,933	7	10,133
223.	Covington, Ky.	60,376	6	10,062
224.	Orlando, Fla.	88,135	9	9,792
225.	Ft. Lauderdale, Fla.	83,648	9	9,294
226.	Wilkes Barre, Pa.	63,551	7	9,078
227.	Johnstown, Pa.	53,949	6	8,991
228.	Manchester, N.H.	88,282	10	8,828
229.	Holyoke, Mass.	52,689	6	8,781
230.	St. Joseph, Mo.	79,673	10	7,967
231.	Colorado Springs, Colo.	70,194	9	7,799
232.	Wheeling, W. Va.	53,400	7	7,628
233.	Meriden, Conn.	51,850	7	7,407
234.	Kansas City, Kan.	121,901	17	7,170
235.	Tucson, Ariz.	(Statewide Branch Banking)		
236.	Las Vegas, Nev.	" " "		
237.	Reno, Nevada	" " "		

Sources: 1) Population is taken from 1960 Census figures contained in The World Almanac, 1961;

2) Number of Banks per city taken from Polk's Directory of Banks, 1960.

3) Number of Banks for Lexington, Kentucky, is five (5) as shown after the Merger.

[1397] *In United States District Court*
DEFENDANT EXHIBIT 65

COMPARISON OF SAVINGS HELD BY SELECTED MEDIA

TYPE OF INSTITUTION	(In Millions) DOLLAR VALUE	% of TOTAL
A. IN KENTUCKY:		
1. Savings & Loan Associations	$ 726.8	39.62
2. Commercial Banks (Time Deposits)	443.5	36.63
3. Credit Unions	27.9	2.28
4. Postal Savings	18.9	1.47
TOTAL	$1,219.1	100.00
B. IN UNITED STATES		
1. Savings & Loan Ass'ns.	$ 54,677.3	35.02
2. Mutual Savings Banks	34,977.5	22.40
3. Commercial Banks	61,505.0	39.39
4. Credit Unions	3,926.1	2.52
5. Postal Savings	1,041.0	.67
TOTAL	$ 156,126.9	100.00

Note: Figures for:	Are As of
1. Savings & Loan Ass'ns.	12/31/59
2. Mutual Savings Banks	12/31/59
3. Commercial Banks	6/10/59
4. Credit Unions	12/31/58
5. Postal Savings	6/10/59

SOURCE: Dollar values are taken from Table 3, Page 14. Savings and Loan Fact Book, 1960.

[1368] *In United States District Court*

DEFENDANT EXHIBIT 66

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF LOANS TO INDIVIDUALS TO PURCHASE PRIVATE AUTOMOBILES HELD BY COMMERCIAL BANKS AND OTHER LENDING AGENCIES IN FAYETTE COUNTY, KENTUCKY AS OF DECEMBER 31, 1950

LENDING AGENCY	$ VOLUME	% OF TOTAL OF BANKS	% OF TOTAL OF ALL AGENCIES
1 - Commercial Banks			
a) First National	$ 6,715,823	64.31	41.79
b) Security Trust	601,017	5.76	3.74
c) Citizens Union	2,035,970	19.69	12.79
d) Bank of Commerce	393,434	3.79	2.46
e) Second National	233,415	2.23	1.45
f) Central Bank	441,685	4.22	2.75
Sub total of Banks	$10,443,144	100.00	
2 - Other Lending Agencies			
g) G.M.A.C.	$ 5,628,882		35.02
Grand Totals	$16,072,026	100.00	100.00

SOURCE: Figures for banks taken from call reports as of 12/31/50. Figures for GMAC are as of 5/31/51 and are taken from deposition of N. D. Harper, manager of Lexington office of GMAC.

[1399] *In United States District Court*
DEFENDANT EXHIBIT 67

TABLE SHOWING DOLLAR VALUE OF TIME AND SAVINGS ACCOUNTS OF LEXINGTON BANKS AND SAVINGS OR SHARE ACCOUNTS OF OTHER INSTITUTIONS IN FAYETTE COUNTY AND PERCENTAGE OF TOTAL HELD BY EACH AS OF 12/31/60 UNLESS OTHERWISE INDICATED

INSTITUTIONS	DOLLAR VOLUME HELD	% OF TOTAL HELD BY EACH
Commercial Banks		
1. First National	$ 12,779,124	16.03
2. Security Trust	5,111,962	6.41
3. Citizens Union	6,047,457	7.59
4. Bank of Commerce	5,292,426	6.64
5. Second National	4,660,070	5.85
6. Central Bank	2,946,183	3.70
Savings & Loan and Building & Loan Associations		
7. First Federal	16,787,957	21.05
8. Lexington Federal	15,215,844	19.09
9. Peoples	3,417,412	4.29
10. New Union	3,417,913	4.29
Credit Unions		
11. See Attached List	4,032,530	5.06
TOTALS	$ 79,708,896	100.00

SOURCE: Figures for banks and savings and building and loan associations are taken from their respective published statements of condition as of 12/31/60.

[1400]

LIST OF CREDIT UNIONS AND DOLLAR VALUE OF SAVINGS HELD BY EACH

1)	IBM (Lexington) Employees (as of 12/31/60)	$ 57,799.91
2)	USPHLE Federal (as of 12/31/60)	271,571.04
3)	Square D (as of 12/31/60)	514,741.09
4)	GSH (Good Samaritan Hospital) (as of 12/31/60)	41,076.51
5)	Fayette County Schools Federal (as of 12/31/60)	50,430.50
6)	Herald Leader Employees (as of 5/31/61)	319,920.77
7)	LSD Employees (as of 6/30/61)	1,239,393.01
*8)	Lexington, Ky. City Employees (as of 6/30/60)	42,532.41
*9)	Lexington Postal (as of 6/30/61)	191,966.35
*10)	Lexington Telco (as of 6/30/60)	170,054.67
*11)	Purcell Employees (as of 6/30/60)	1,118.23
*12)	Robb Packing Employees (as of 6/30/60)	10,041.54
*13)	SEG Employees (as of 6/30/60)	621,350.82
*14)	University of Ky. (as of 6/30/60)	22,704.79
*15)	VA Employees (as of 6/30/60)	476,826.60
	TOTALS	4,032,530.51

* Source for those marked with an asterisk is 26th Annual Report of the Credit Unions made by The Commissioner of Banking of Kentucky as of 6/30/60. Source for all others are published statements of each as of dates indicated.

[1401] *In United States District Court*

DEFENDANT EXHIBIT 68

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF REAL ESTATE LOANS SECURED BY MORTGAGES ON RESIDENCES AND INSURED BY FHA OR VA HELD BY COMMERCIAL BANKS AND OTHER LENDING AGENCIES IN FAYETTE COUNTY, KENTUCKY, AS OF DECEMBER 31, 1960

LENDING AGENCY	$ VOLUME	% OF TOTAL OF BANKS	% OF TOTAL OF ALL AGENCIES
1. Commercial Banks			
a) First National	8,027	7.20	.02
b) Security Trust	40,849	36.62	.08
c) Citizens Union	56,231	50.40	.12
d) Bank of Commerce	0	0.00	.00
e) Second National	0	0.00	.00
f) Central Bank	6,448	5.78	.01
Subtotal of Banks	111,535	100.00	.23
		% OF TOTAL OF OTHER AGENCIES	
2. Other Lending Agencies			
g) Prudential Ins. Co.	4,615,032	9.73	9.72
h) Realty Mtg. Co.	19,702,705	41.48	41.49
i) Central Ky. Mtg.	11,700,000	24.69	24.64
j) Franklin Pioneer	10,985,964	23.19	23.13
k) Pearce Mtg. Co.	376,475*	.79	.79
Subtotal of Other Agencies	47,380,176	100.00	99.77
GRAND TOTALS	47,491,711		100.00

SOURCE: Figures for banks are taken from Reports of condition of each bank as of 12/31/60. Figures for other lending agencies are taken from the depositions of the persons indicated.

	From Deposition of
For Prudential Ins. Co.	Charles L. Watson, Jr.
For Realty Mortgage Co.	W. F. Bl[illegible]by, Sr.
For Central Ky. Mtg. Co.	John Polk
For Franklin Pioneer Co.	Plummer N. Jones, Jr.
For Pearce Mortgage Co.	Sterling Pearce

*This is the amount of loans made by this office in 1960.

[1410] *In United States District Court*
DEFENDANT EXHIBIT 75

EXPLANATORY NOTE

The figures on the attached chart were taken and compiled from the official order books of the Fayette County Court. Included in this chart are all fiduciary appointments that are made by the Fayette County Court and these are administrators, executors, administrators with the will annexed, trustees of testamentary trusts, guardians of infants, committees of incompetents and curators. When any application is filed with the Fayette County Court to be appointed as a fiduciary in any of the above listed capacities, such fiduciary is required to state under oath the best estimate of the value of the real and personal property found in the estate. All fiduciaries are required to execute a bond for the fair value of the personal property and for the real estate, if the fiduciary possesses a power of sale over the real estate, or if it will be necessary to sell the real estate to raise sufficient cash to pay the debts and costs of administration, or any other obligations of the estate. The necessity of a surety on the bond of the fiduciary may be dispensed with, but the bond is required in all instances. The figures contained on the attached chart are the amounts of the bonds executed by the listed fiduciaries for the years indicated. No fiduciaries other than those appointed by the Fayette County Court are included on the attached chart.

[1402] *In United States District Court*

DEFENDANT EXHIBIT 69

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF REAL ESTATE LOANS SECURED BY MORTGAGES ON RESIDENCES (BOTH INSURED AND UNINSURED BY FHA OR VA) HELD BY COMMERCIAL BANKS AND OTHER LENDING AGENCIES IN FAYETTE COUNTY, KENTUCKY, AS OF DECEMBER 31, 1960.

LOAN AGENCY	$ VOLUME	% OF TOTAL OF BANKS	% OF TOTAL OF ALL AGENCIES
Commercial Banks			
a) First Nat'l	$ 2,685,500	19.67	1.95
b) Security Trust	3,525,156	25.83	2.55
c) Citizens Union	1,410,223	10.33	1.02
d) Bank of Commerce	3,780,920	27.72	2.75
e) Second National	1,056,551	7.75	.77
f) Central Bank	1,183,600	8.69	.86
Subtotal of Banks	$13,641,039	100.00	9.91
		% OF TOTAL OF OTHER AGENCIES	
Other Lending Agencies:			
a) New Union B & L	$ 3,313,548	2.71	2.41
b) First Federal	15,788,033	12.73	11.47
c) Lexington Federal	17,207,460	11.75	13.59
d) Peoples B & L	3,403,319	2.75	2.47
e) Prudential Ins. Co. (Fayette County only)	14,772,562	11.91	10.73
f) Realty Mortgage Co.	30,139,987	24.30	21.90
g) Central Ky. Mtg. Co. (Fayette County only)	19,500,000**	15.72	14.17
h) College of Bible (As of 7/31/60 - Fayette County only)	261,921	.21	.19
i) Pennsylvania College (As of 8/31/60)	547,100	.44	.40
j) M.T.O.S. (As of 6/30/60) (Fayette County only)	791,194	.63	.57
k) Franklin Pioneer	13,732,[illegible]	21.[illegible]	9.98
l) Pierce Mortgage Co.	731,850	.59	.53
m) Redman Mortgage Co.	23,000	.02	.02
n) Ky. Growers Ins. Co.	237,[illegible]	.19	.17
o) Phoenix Mortgage Co.	[illegible]	.[illegible]	.[illegible]
p) Laclede Bond & Mtg. Co.	[illegible]	.63	3.63
Subtotals for other agencies	$123,990,150	100.00	90.09
GRAND TOTALS	$137,631,189		100.00

*These figures include all loans of these companies. Franklin Pioneer makes no loans except those secured by mortgages on residences. Laclede occasionally makes a mortgage loan on commercial property.

** Estimated amount by examining officials

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[1403]

SOURCE: Figures for banks are taken from Reports of condition as of 12/31/60. Figures for Savings and Loan and Building and Loan Associations are taken from published statements as of 12/31/60 and the depositions hereinafter indicated. Figures for other lending agencies are taken from depositions indicated:

FOR	FROM DEPOSITION OF
New Union B & L	Wilbur C. Wilson
First Federal	Justin R. McCarthy
Lexington Federal	William L. Woodward
Peoples B & L,	Mike Downing
Prudential Ins. Co.	Charles L. Watson, Jr.
Realty Mortgage Co.	W. F. Blackerby, Sr.
Central Ky. Mtg. Co.	John Polk
College of Bible	Elizabeth Hartsfield
Transylvania College	Russell White
K.F.Q.S.	H. M. Endicott
Franklin Pioneer	Plummer M. Jones, Jr.
Pearce Mortgage Co.	Sterling Pearce
Redman Mortgage Co.	William K. Redman
Ky. Growers Ins. Co.	Wendell Reading
Phoenix Mortgage Co.	W. H. Smith
Laclede Bond & Mtg. Co.	Richard T. Mayes

[1404] *In United States District Court*
DEFENDANT EXHIBIT 70

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF LOANS TO FARMERS, SECURED AND UNSECURED EXCEPT LOANS SECURED BY REAL ESTATE HELD BY COMMERCIAL BANKS AND OTHER LENDING AGENCIES IN FAYETTE COUNTY, KENTUCKY, AS OF DECEMBER 31, 1950.

LEND AGENCY	$ VOLUME	% OF TOTAL OF BANKS	% OF TOTAL OF ALL AGENCIES
Commercial Banks			
a) First National	$2,138,424	53.05	33.17
b) Security Trust	94,332	2.34	1.46
c) Citizens Union	810,849	20.12	12.58
d) Bank of Commerce	54,807	1.36	0.85
e) Second National	790,187	19.60	12.26
f) Central Bank	142,584	3.54	2.21
Subtotal of Banks	$4,030,983	100.00	
Other Lending Agencies			
g) Production Credit	$2,416,463*		37.47
TOTALS	$6,447,446		100.00

SOURCE: Figures for banks are taken from Reports of condition as of 12/31/50. Figure for Production Credit taken from Congleton Exhibit "1" attached to deposition of Frank Congleton, Jr., and this figure is as of 12/31/50 also.

*NOTE: This may include a few real estate mortgage loans as the local manager of this company testified that they made a "very few" such loans, most of which would be second mortgages on real estate.

[1405] *In United States District Court*

DEFENDANT EXHIBIT 71

TABLE SHOWING DOLLAR VOLUME AND PERCENTAGE OF TOTAL DOLLAR VOLUME OF REAL ESTATE LOANS HELD BY MORTGAGES ON THOSE TYPES OF COMMERCIAL BANKS AND OTHER LENDING AGENCIES IN FAYETTE COUNTY, KENTUCKY, AS OF DECEMBER 31, 1960.

Lending Agency	$ Volume	% of Total of Banks	% of Total of All Agencies
Commercial Banks:			
a) First National	$ 330,642	22.85	3.77
b) Security Trust	234,748	15.94	2.67
c) Citizens Union	199,929	13.80	2.28
d) Bank of Commerce	246,714	16.75	2.81
e) Second National	362,703	24.40	5.58
f) Central Bank	37,849	2.35	.54
Subtotal of Banks	$1,472,685	100.00	21.05
		% of Total of Other Agencies	
Other Lending Agencies:			
a) Prudential Ins. Co.	$1,650,200	29.87	23.62
b) Realty Mortgage Co.	188,317	3.40	2.69
c) Federal Land Bank	1,703,196	30.83	24.36
d) Redman Mortgage Co.	740,000*	13.40	10.58
e) John G. King	1,251,417	22.67	17.90
Subtotal of other Agencies	$5,521,030	100.00	78.95
GRAND TOTALS	$6,993,285		100.00

SOURCE: Figures for banks are taken from Reports of Condition of each bank as of 12/31/60. Figures for other lending agencies are taken from depositions of the persons indicated:

	Name of Deponent
For Prudential Ins. Co.	Charles L. Marsee, Jr.
For Realty Mortgage Co.	W. J. Blackaby, Sr.
For Federal Land Bank	Robert L. Wheeler
For Redman Mortgage Co.	William K. Redman
For John G. King	John G. King, Jr.

* This figure is the volume of loans made by this company in the year 1960.

MORTGAGE DEBT ON NON-FARM HOMES, BY TYPE OF LENDER (In millions of Dollars)

YEAR Dec. 31	SAVINGS AND LOAN ASSOCIATIONS	MUTUAL SAVINGS BANKS	COMMERCIAL BANKS	LIFE INSURANCE COMPANIES	F N M A	OTHER MORTGAGES	TOTAL
1940	$ 3,919	$ 2,162	$ 2,363	$ 1,803	$ 178	$ 6,956	$ 17,391
1941	4,349	2,189	2,672	1,969	203	6,969	18,351
1942	4,349	2,128	2,752	2,241	206	6,536	18,212
1943	4,355	2,083	2,706	2,386	60	6,271	17,811
1944	4,617	1,937	2,703	2,435	50	6,182	17,924
1945	5,156	1,894	2,875	2,306	7	6,353	18,591
1946	6,840	2,033	4,576	2,545	6	7,034	23,034
1947	8,475	2,283	6,303	3,497	4	7,637	28,199
1948	9,841	2,835	7,396	4,943	198	8,066	33,279
1949	11,117	3,364	7,956	6,093	806	8,283	37,619
1950	13,116	4,312	9,481	8,478	1,328	8,455	45,170
1951	14,844	5,331	10,275	10,610	1,818	8,823	51,711
1952	17,645	6,194	11,250	11,757	2,210	9,444	58,500
1953	20,999	7,373	12,025	13,195	2,358	10,144	66,094
1954	25,004	9,002	13,300	15,153	2,328	10,890	75,677
1955	30,001	11,100	15,075	17,661	2,444	11,969	88,250
1956	34,004	12,990	16,245	20,130	2,866	12,802	99,037
1957	37,996	14,110	16,385	21,441	3,777	13,908	107,617
1958	42,890	15,640	17,628	22,374	3,580	15,574	117,686
1959	49,727	16,868	19,240	23,622	4,938	16,749	131,144

NOTE: THE FOREGOING IS A REPRODUCTION OF TABLE 41 FROM PAGE 60 OF THE SAVINGS AND LOAN FACT BOOK FOR 1960 -

NOTE: FOR THE ENTIRE UNITED STATES.

SURVEY OF PROBATE RECORDS OF FAYETTE COUNTY COURT AS TO NUMBER OF COURT APPOINTMENTS AND DOLLAR VOLUME OF ALL ESTATES THAT WERE ADMINISTERED BY BANKS AND BY INDIVIDUALS EACH YEAR, TOGETHER WITH PERCENTAGES AS TO EACH FOR THE YEARS 1940 THROUGH 1961.

	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956
FIRST NATIONAL																	
No. of Apmts.	2	8	4	5	5	10	9	14	17	31	16	18	27	16	19	17	15
$ Volume	85000	256000	900000	440000	565000	1009000	767000	280250	601000	2206000	416000	536500	1894700	1244000	1328000	4442000	508500
% of No. of Apmts.	.51	2.20	1.05	1.174	0.996	1.77	1.36	2.35	3.21	6.90	2.77	2.79	4.26	2.88	3.10	2.59	3.06
% of $ Volume	3.17	13.23	25.11	10.44	22.30	22.61	13.47	5.05	9.48	28.28	8.89	10.09	33.03	15.40	17.48	36.63	7.46
SECURITY TRUST																	
No. of Apmts.	14	14	15	14	6	9	16	22	16	14	12	16	10	22	19	18	20
$ Volume	1039500	524600	487500	886000	537000	263800	1238500	2759200	730000	322500	543750	1670000	484000	2060500	2414500	1630000	801200
% of No. of Apmts.	3.56	3.86	3.92	3.286	1.195	1.59	2.42	3.69	3.07	3.12	2.08	2.48	1.58	3.96	3.10	2.74	4.08
% of $ Volume	38.72	27.11	13.60	21.02	21.19	5.91	21.74	49.74	11.51	4.14	11.62	31.46	8.44	25.26	31.77	13.44	11.75
CITIZENS BANK																	
No. of Apmts.	0	2	3	2	12	6	7	11	3	10	15	14	17	23	18	31	26
$ Volume	0	35000	40000	101500	36500	9500	39000	43500	151500	67500	160685	54500	306650	1053800	100500	1623500	706000
% of No. of Apmts.	0	.55	.79	0.469	2.391	1.06	1.06	1.85	.57	2.23	2.60	2.17	2.69	4.15	2.93	4.72	5.31
% of $ Volume	0	1.81	1.12	2.41	1.36	.21	.68	.78	2.39	.86	3.42	1.03	5.34	13.05	1.32	13.39	10.36
UNION BANK																	
No. of Apmts.	2	1	3	3	0	0	2	2	8	3	2	3	4	0	0		
$ Volume	26000	40000	103000	80000	0	0	46500	90000	1079000	2112500	45000	90000	213000	0	0		
% of No. of Apmts.	.51	.28	.79	0.704	0	0	.30	.33	1.51	.67	.34	.47	.63	0	0		
% of $ Volume	.97	2.07	2.87	1.90	0	0	.82	1.62	17.01	27.08	.97	1.69	3.72	0	0		
BANK OF COMMERCE																	
No. of Apmts.	0	4	1	2	5	2	2	0	1	1	4	3	2	0	3	5	4
$ Volume	0	16600	1000	8000	78000	71500	14000	0	28000	3000	380000	16100	8800	0	108080	51500	31000
% of No. of Apmts.	0	1.10	.26	0.469	0.996	.35	.30	0	.19	.22	.69	.46	.32	0	.49	.76	.82
% of $ Volume	0	.86	.03	.19	2.76	1.60	.25	0	.44	.06	8.12	.30	.15	0	1.42	.42	.45
SECOND NATIONAL																	
No. of Apmts.										1							0
$ Volume										40000							0
% of No. of Apmts.										.22							0
% of $ Volume										.52							0
OUT OF TOWN BANKS																	
No. of Apmts.	0	0	2	5	1	1	0	1	1	0	0	5	1	2	2	2	0
$ Volume	0	0	17000	149500	15000	17000	0	1000	2300	0	0	207500	7600	70000	150000	225000	0
% of No. of Apmts.	0	0	.52	1.174	0.199	.18	0	.17	.19	0	0	.78	.16	.36	.33	.30	0
% of $ Volume	0	0	.47	3.55	.59	.38	0	.02	.04	0	0	3.90	.13	.87	1.97	1.86	0
INDIVIDUALS																	
No. of Apmts.	375	334	354	393	473	538	626	546	438	389	529	586	572	492	552	584	425
$ Volume	1533970	1062800	2035675	2549195	1312626	3093121	2591008	2373828	3750188	3047113	3134939	2743796	2821777	3668021	3498846	4154000	4770700
% of No. of Apmts.	95.42	92.01	92.67	92.724	94.273	95.05	94.56	91.61	91.30	86.64	91.52	90.85	90.36	88.65	90.07	88.89	86.73
% of $ Volume	57.14	54.92	56.80	60.49	51.56	69.29	63.04	42.79	59.13	39.06	66.98	51.59	49.19	45.42	48.04	34.26	69.98
TOTALS																	
No. of Apmts.	393	363	382	426	502	566	662	596	529	449	578	645	633	555	615	657	490
$ Volume	2684470	1935000	3584175	4214195	2534126	4463921	3696008	5547778	6342188	7800613	4680374	5318396	5736327	8076321	7599846	12126000	6817600

SURVEY OF PROBATE RECORDS OF FAYETTE COUNTY COURT AS TO NUMBER OF COURT APPOINTMENTS AND DOLLAR VOLUME OF ALL ESTATES THAT WERE ADMINISTERED BY BANKS AND BY INDIVIDUALS EACH YEAR, TOGETHER WITH PERCENTAGES AS TO EACH FOR THE YEARS 1940 THROUGH 1961.

45	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	TOTALS	AVERAGE PER YEAR
10	9	14	17	31	16	18	27	16	19	17	15	32	25	17	23	49	379	19
9000	767000	280250	601000	2206000	418000	536500	1894700	1244000	1328000	4442000	508500	2749700	1736500	2449800	2929000	3739000	31082950	1412861
1.77	1.36	2.35	3.21	6.90	2.77	2.79	4.26	2.88	3.10	2.59	3.06	6.44	4.75	3.54	3.54	5.98		3.05
2.61	13.47	5.05	9.48	28.28	8.89	10.09	33.03	15.40	17.48	36.63	7.46	22.18	18.05	18.94	25.90	29.68		18.04
9	16	22	16	14	12	16	10	22	19	18	20	23	22	9	19		330	16.5
3800	1238500	2759200	730000	322500	543750	1670000	484000	2040500	2414500	1630000	801200	2933700	2126000	3821200	1005000		28258450	1345640
.59	2.42	3.69	3.02	3.12	2.08	2.48	1.58	3.96	3.10	2.74	4.08	4.63	4.19	1.88	2.93			3.01
3.91	21.74	49.74	11.51	4.14	11.62	31.46	8.44	25.26	31.77	13.44	11.75	23.67	22.10	29.54	8.89			20.60
6	7	11	3	10	15	14	17	23	18	31	26	16	17	12	24	22	291	13
9500	39000	43500	151500	62500	160685	54500	306450	1053800	100500	1623500	706000	360500	193000	376200	478865	1189500	7125500	323886
1.06	1.06	1.85	.57	2.23	2.60	2.17	2.69	4.15	2.93	4.72	5.31	3.22	3.23	2.50	3.70	2.69		2.31
.21	.68	.78	2.39	.86	3.42	1.03	5.34	13.05	1.32	13.39	10.36	2.91	2.01	2.91	4.27	9.44		3.68
0	2	2	8	3	2	3	4	0	0								33	2
0	46500	90000	1079000	2112500	45000	90000	213000	0	0								3925000	261667
0	.30	.33	1.51	.67	.34	.47	.63	0	0									.43
0	.82	1.62	17.01	27.08	.97	1.69	3.72	0	0									4.05
2	2	0	1	1	4	3	2	0	3	5	6	6	3	10	2	3	63	3
1500	14000	0	28000	5000	380000	16100	8800	0	108000	51500	31000	134000	63000	313000	29000	278600	1627100	73959
.35	.30	0	.19	.22	.69	.46	.32		.49	.76	.82	1.21	.57	2.08	.31	.37		.54
1.60	.25	0	.44	.06	8.12	.30	.15	0	1.42	.42	.45	1.08	.63	2.42	.26	2.21		1.08
				1							0	13	4	6	5	6	35	5
				40000							0	197000	36000	172500	237000	350000	1032500	147500
				.22							0	2.61	.76	1.25	.77	.73		.91
				.52							0	1.59	.37	1.33	2.10	2.78		1.24
1	0	1	1	0	0	5	1	2	2	2	0	10	1	2	1	2	39	2
7000	0	1000	2500	0	0	207500	7600	70000	150000	225000	0	520000	1500	13000	56000	250000	1702600	77391
.18	0	.17	.19	0	0	.78	.16	.36	.33	.30	0	2.01	.19	.42	.15	.24		.33
.38	0	.02	.04	0	0	3.90	.13	.87	1.97	1.86	0	4.19	.02	.10	.50	2.03		.96
538	626	546	438	389	529	586	572	492	552	584	425	397	454	424	575	737	10840	493
93121	3591008	2373828	3750188	3047113	3134939	2743796	2821777	3668021	3498846	4154000	4770700	3501379	3464338	3789767	6572350	6784316	79253753	3602443
95.05	94.56	91.61	91.30	88.64	91.52	90.85	90.36	88.65	90.05	88.89	86.73	79.88	86.31	88.33	88.60	89.99		90.29
69.29	63.04	42.79	59.13	39.06	66.98	51.59	49.19	45.42	46.04	34.26	69.98	44.38	56.80	44.76	58.13	53.86		53.44
566	662	596	529	449	578	645	633	555	613	657	490	497	526	480	649	819	12010	546
63921	3696008	5543778	6342188	7800613	4680374	5318396	5736327	8076321	7599846	12126000	6817408	12396279	9820338	12933467	11307215	12591416	154007853	7000357

Survey of Probate Records of Fayette County Court as to Number of Court Appointments and Dollar Volume of Estates at $10,000 or More That Were Administered by Banks and Individuals Each Year, Together With Percentages As to Each of the Years 1940 Through 1961.

	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955
FIRST NATIONAL																
No. of Apmts.	2	6	4	5	4	9	7	10	10	25	12	12	23	14	18	16
$ Volume	85000	250000	900000	440000	562000	1000000	765000	270000	576000	2189000	402500	520000	1882000	1230000	1327000	4437000
% of No. of Apmts.	4.08	12.76	8.33	8.77	9.09	11.11	8.86	13.33	11.24	24.27	13.19	14.12	24.73	13.59	18.00	16.33
% of $ Volume	3.84	18.56	33.53	12.59	31.04	27.15	18.09	5.82	11.05	31.98	10.38	11.78	38.29	17.21	20.13	47.98
SECURITY TRUST																
No. of Apmts.	10	10	9	11	5	6	12	14	13	12	8	14	8	18	15	13
$ Volume	1025000	512500	473000	882000	531000	251000	1223000	2732000	720000	318000	528000	1665000	470000	2027000	2399500	1613000
% of No. of Apmts.	20.41	21.28	18.75	19.30	11.37	7.41	15.19	18.67	14.61	11.65	8.79	16.47	8.60	17.48	15.00	13.27
% of $ Volume	44.24	38.05	17.62	25.23	29.33	6.81	28.92	58.85	15.81	4.65	13.61	37.71	9.56	28.36	36.39	17.46
CITIZENS BANK																
No. of Apmts.	0	2	1	1	1	0	2	1	1	2	5	2	3	5	4	1
$ Volume	0	35000	25000	100000	15000	0	32000	14000	150000	45000	126000	20000	270000	995000	57000	25000
% of No. of Apmts.	0	4.25	2.08	1.75	2.27	0	2.53	1.33	1.12	1.94	5.49	2.35	3.22	4.85	4.00	1.02
% of $ Volume	0	2.60	.93	2.86	.83	0	.76	.30	2.87	.66	3.25	.45	5.50	13.92	.84	.27
UNION BANK																
No. of Apmts.	1	1	2	3	0	0	1	2	7	3	2	3	3	0	0	
$ Volume	20000	40000	100000	80000	0	0	45000	90000	1075000	2112500	45000	90000	205000	0	0	
% of No. of Apmts.	2.04	2.13	4.17	5.26	0	0	1.27	2.67	7.87	2.92	2.20	3.53	3.23	0	0	
% of $ Volume	.90	2.97	3.73	2.29	0	0	1.07	1.90	20.62	30.86	1.16	2.04	4.17	0	0	
BANK OF COMMERCE																
No. of Apmts.	0	1	0	0	3	1	0	0	1	0	4	1	0	0	1	3
$ Volume	0	14000	0	0	63000	70000	0	0	28000	0	380000	14000	0	0	100000	50000
% of No. of Apmts.	0	2.13	0	0	6.82	1.23	0	0	1.12	0	4.40	1.18	0	0	1.00	3.06
% of $ Volume	0	1.04	0	0	3.48	1.90	0	0	.54	0	9.80	.32	0	0	1.52	.55
SECOND NATIONAL																
No. of Apmts.										1						
$ Volume										40000						
% of No. of Apmts.										.97						
% of $ Volume										.58						
OUT OF TOWN BANKS																
No. of Apmts.	0	0	0	3	1	1	0	0	0	0	0	3	0	2	2	0
$ Volume	0	0	0	140000	15000	17000	0	0	0	0	0	200000	0	70000	150000	0
% of No. of Apmts.	0	0	0	5.26	2.27	1.23	0	0	0	0	0	3.53	0	1.94	2.00	0
% of $ Volume	0	0	0	4.00	.83	.46	0	0	0	0	0	4.53	0	.98	2.28	0
INDIVIDUALS																
No. of Apmts.	36	27	32	34	30	64	57	48	57	60	60	50	56	64	60	65
$ Volume	1086500	495500	1186000	1854000	624500	2345829	2163450	1536000	2665000	2140000	2397000	1906000	2088000	2826000	2559500	3120000
% of No. of Apmts.	73.47	57.45	66.67	59.65	68.18	79.02	72.15	64.00	64.04	58.25	65.93	58.82	60.22	62.16	60.00	66.32
% of $ Volume	49.02	36.78	44.18	53.03	34.49	63.68	51.16	33.09	51.11	31.27	61.80	43.17	42.48	39.53	38.82	33.74
TOTALS																
No. of Apmts.	49	47	48	57	44	81	79	75	89	103	91	85	93	103	100	98
$ Volume	2216500	1347000	2684000	3496000	1810500	3683829	4228450	4642000	5214000	6844500	3878500	4415000	4915000	7148000	6593000	9247000

Survey of Probate Records of Fayette County Court as to Number of Court Appointments and Dollar Volume of Estates at $10,000 or More That Were Administered by Banks and Individuals Each Year, Together With Percentages As to Each of the Years 1940 Through 1961.

1943	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	TOTALS	AVERAGE PER YEAR
9	7	10	10	25	12	12	23	14	18	16	9	18	19	13	18	40	294	13.36
1000000	765000	270000	576000	2189000	402500	520000	1882000	1230000	1327000	4437000	480300	1698800	1708500	2433000	2914000	3703000	28244100	1283823
11.1 1	8.86	13.33	11.24	24.27	13.19	14.12	24.73	13.59	18.00	16.33	7.90	13.23	13.77	10.57	12.41	22.98		13.29
27.1 5	18.09	5.82	11.05	31.98	10.38	11.78	38.29	17.21	20.13	47.98	9.25	17.80	20.95	21.63	33.82	33.17		21.55
6	12	14	13	12	8	14	8	18	15	13	17	18	22	5	18		258	12.29
251000	1223000	2732000	720000	318000	528000	1665000	470000	2027000	2399500	1615000	787200	2906000	2126000	3805000	999000		27995200	1333105
7.41	15.19	18.67	14.61	11.65	8.79	16.47	8.60	17.48	15.00	13.27	14.91	13.23	15.94	4.07	12.41			14.23
6.81	28.92	58.85	13.81	4.65	13.61	37.71	9.56	28.36	36.39	17.46	15.16	30.47	26.07	33.83	11.60			25.30
0	2	1	1	2	5	2	3	5	4	1	9	7	8	5	5	9	74	3.36
0	32000	14000	150000	45000	126000	20000	270000	995000	57000	25000	642000	329000	372000	347000	394500	1141000	$134500	233386
0	2.53	1.33	1.12	1.94	5.49	2.35	3.22	4.85	4.00	1.02	7.90	5.15	5.80	4.06	3.45	5.17		3.32
0	.76	.30	2.87	.66	3.25	.45	5.50	13.92	.86	.27	12.36	3.45	4.56	3.09	4.58	10.22		3.53
0	1	2	7	3	2	3	3	0	0								28	2
0	45000	90000	1075000	212500	45000	90000	205000	0	0								3902500	260167
0	1.27	2.67	7.87	2.92	2.20	3.53	3.23	0	0									2.48
0	1.07	1.90	20.62	30.86	1.16	2.04	4.17	0	0									4.78
1	0	0	1	0	4	1	0	0	1	3	2	3	1	6	2	2	31	1.4
70000	0	0	28000	0	380000	14000	0	0	100000	50000	28000	114000	50000	301000	29000	275000	1516000	60909
1.23	0	0	1.12	0	4.40	1.18	0	0	1.00	3.06	1.75	2.21	.72	4.88	1.38	1.14		1.51
1.90	0	0	.54	0	9.80	.32	0	0	1.52	.55	.54	1.20	.61	2.68	.34	2.46		1.22
				1							0	8	2	3	3	4	21	3.0
				40000							0	172000	30000	164000	228000	338000	972000	138852
				.97							0	5.88	1.45	2.44	2.07	2.29		2.15
				.58							0	1.80	.37	1.46	2.65	3.03		1.40
1	0	0	0	0	0	3	0	2	2	0	0	7	0	0	1	2	22	1
17000	0	0	0	0	0	200000	0	70000	150000	0	0	505000	0	0	58000	258000	1409000	64045
1.23	0	0	0	0	0	3.53	0	1.94	2.00	0	0	5.15	0	0	.69	1.15		1.06
.46	0	0	0	0	0	4.53	0	.98	2.28	0	0	5.30	0	0	.65	2.29		.97
64	57	48	57	60	60	50	56	64	60	65	77	75	86	91	98	117	1344	61
2345829	2163450	1536000	2665000	2140000	2397000	1906000	2088000	2826000	2559500	3120000	3256000	3813600	3869500	4195450	3994500	5431000	53573329	2521515
79.02	72.15	64.00	64.04	58.25	65.93	58.82	60.22	62.14	60.00	66.32	67.54	55.15	62.32	73.98	67.59	67.27		64.73
63.68	51.16	33.09	51.11	31.27	61.80	43.17	42.48	39.53	38.82	33.74	62.69	39.98	47.44	37.31	46.36	48.83		45.00
81	79	75	89	103	91	85	93	103	100	98	114	136	138	123	145	174	2072	94
3683829	4228450	4642000	5214000	6844500	3878500	4415000	4915000	7148000	6593000	9247000	5193500	9538400	8156000	11245450	8615000	11164000	124746829	5670301

[1412] *In United States District Court*
DEFENDANT EXHIBIT 76

[illegible] SHOWING [illegible] TOTAL ASSETS OF STATE
[illegible] IN KENTUCKY AS COMPARED WITH GROWTH OF
STATE BUILDING & [illegible] ASSOCIATIONS IN KENTUCKY
FROM [illegible] TO 1950

	TOTAL ASSETS OF ALL KENTUCKY STATE BANKS	% Increase by Year	TOTAL ASSETS OF ALL STATE B & L ASSNS In Kentucky	% Increase by Year
0	$ 953,043,874.77		$ 73,925,145.06	
1	1,002,235,105.04	5.00	82,161,030.52	11.04
2	1,081,217,820.20	7.07	93,[illegible],468.49	13.28
3	1,125,336,205.82	4.08	100,578,323.95	15.83
4	1,167,432,270.01	3.74	115,545,022.54	14.15
5	1,211,611,536.25	3.80	129,383,039.63	12.46
6	1,220,534,082.10	0.73	151,597,904.09	8.75
7	1,294,391,352.86	6.05	155,103,961.16	8.91
8	1,383,757,204.28	6.90	181,803,120.46	10.11
9	1,402,074,237.64	1.32	198,212,752.30	9.03
10	1,439,285,742.07	2.65	215,837,744.01	8.89
1 In 10 Yrs. for Years	485,441,867.35	50.95	141,911,546.95	191.99

Source: Dollar figures for State banks are taken from 40th Annual Report of Commissioner of Banking for the year ending June 30, 1950. Dollar figures for Building and Loan Associations are taken from 42nd Annual Report of Commissioner of Banks of the Building and Loan Associations made as of December 31, 1950.

[1413] *In United States District Court*

DEFENDANT EXHIBIT 77

Table showing Banks upon which rent checks are drawn in payment of rent by tenants of Trust Properties of First National and Security as of 3/1/61

FIRST NATIONAL TENANTS

Banks	Rent Checks Drawn	Number of Tenants	Per Cent of No. of Tenants	$ Volume Monthly Rentals	Per Cent of $ Amount Monthly Rentals
First National	15	15	28.3	5,600.25	31.5
Security	5	5	9.4	1,930.00	10.6
Citizens Union	11	11	20.8	2,978.33	16.8
Central	9	9	13.2	3,001.66	16.9
Bank of Commerce	6	6	11.3	1,265.00	7.0
Second	2	2	3.8	310.00	1.7
Out of Town Banks	7	7	13.2	2,767.50	15.5
	53	53	100.0%	$17,822.74	100.0%

SECURITY TRUST COMPANY

Security	6	7	9.7	2,795.50	9.5
First National	23	23	31.9	10,289.17	35.1
Citizens Union	9	9	12.5	3,135.00	10.6
Central	3	3	4.2	130.00	4.4
Bank of Commerce	7	7	9.7	1,995.00	6.8
Second	1	1	1.4	100.00	.3
Out of Town Banks	22	22	30.6	10,879.40	37.1
	71	72	100.0%	29,346.	

° Includes 1.4% cash

[1414]

Explanatory Note

The tenants of the trust properties of First National and Security included in the attached chart include the tenants of all business or commercial property of all trust properties held by First National and Security in their capacities as executor, administrator with the will annexed, trustee, coexecutor or cotrustee, trustee under inter vivos trusts, or as agent, and they include all such business or commercial properties wherever in Fayette County. Of the tenants included in this chart, only two maintain general checking accounts with First National and only one maintains a general checking account with Security. Two of them maintain depository accounts with Security and nine maintain depository accounts with First National. By "depository accounts" is meant that the tenants deposit their local checks for clearance with their respective banks and as soon as the money represented thereby is collected and cleared the tenant writes a check and transfers the funds in the account to a general account that his company maintains in an out of town bank. The money in these accounts is never available for investment by the bank.

Certification

I certify that the foregoing explanation and the figures shown on the attached table are true and correct and that the same were compiled from the official records of the Trust Departments of First Security National Bank and Trust Company as of the date indicated.

Richard E. Marks, Jr., Assistant Trust Officer, First Security National Bank and Trust Company of Lexington

[1415] *In United States District Court*
DEFENDANT EXHIBIT 78

TABLE SHOWING WHERE TENANTS OR LESSEES OF FARMS OPERATED BY FARM DIVISION OF TRUST DEPARTMENT OF [illegible] MAINTAINED THEIR CHECKING ACCOUNTS AS OF 3/29/61

	Number of Such Checking Accounts Held by Bank	Percentage of Total of All Held by Bank
1) First Security	10	38.46 %
2) Second National Bank	6	23.08
3) Bank of Commerce	2	7.69
4) Citizens Union	1	3.85
5) Farmers Bank, Georgetown	2	7.69
6) First National, Georgetown	3	11.54
7) Winchester Bank, Winchester	1	3.85
8) N. Middletown Deposit Bank, N. Middletown, Ky.	1	3.85
TOTALS	26	*100.01 %

*Difference in this and 100% due to rounding off

The foregoing information was compiled by J. Ed Parker, Jr. directly from the records of lessees involved in the survey conducted by him.

I, J. Ed Parker, do certify that the foregoing figures and information are true and correct.

J. Ed Parker, Jr.

J. ED PARKER, JR.,
Vice President
First Security National Bank
and Trust Company of Lexington
in charge of Farm Division of
Trust Department

[1416] *In United States District Court*
DEFENDANT EXHIBIT 79

TABLE SHOWING DOLLAR VALUE OF TIME AND SAVINGS DEPOSITS OF LEXINGTON BANKS AND SAVINGS OR SHARE ACCOUNTS OF LEXINGTON BUILDING AND SAVINGS AND LOAN ASSOCIATIONS AS OF 12/30/61 AND PERCENTAGE OF TOTAL HELD BY EACH.

Name of Institution	Dollar Amount	% of Total Held
A COMMERCIAL BANKS		
1) First Security	18,484,907.00	22.46
2) Citizens Union	6,667,234.00	8.10
3) Bank of Commerce	5,467,257.00	6.64
4) Second National	5,056,060.00	6.15
5) Central Bank	2,826,436.00	3.43
Sub Total	38,511,896.00	46.78
B BUILDING AND SAVINGS & LOAN ASSOCIATIONS		
1) First Federal	19,085,905.00	23.19
2) Lexington Federal	17,654,586.00	21.45
3) People's S.F. & B.A.	3,127,460.00	3.80
4) New Union B.A.	3,936,668.00	4.78
Sub Total	43,804,559.00	53.22
Grand Total	82,316,455.00	100.00

Source: Published Statements Of Each Institution As Of 12/30/61

[1417] *In United States District Court*

DEFENDANT EXHIBIT 80

CHATTANOOGA, TENNESSEE

(Source: Moody's Bank & Finance Manual)

PAGE 1 - TOTAL RESOURCES (000)

	HAMILTON		AMERICAN		PIONEER		TOTAL
Dec.31,	Amt	%	Amt	%	Amt	%	(100%)
1960	192,494	53.1	125,787	34.7	44,046	12.2	362,327
1959	189,949	53.8	121,978	34.6	40,938	11.6	352,865
1958	171,700	53.3	115,189	35.8	35,307	10.9	322,196
1957	160,802	54.8	102,899	35.1	29,873	10.2	293,574
1956	159,425	55.5	100,293	34.8	28,455	9.9	288,173
1955	160,251	56.5	97,873	34.5	25,598	9.0	283,722
1954	156,724	57.0	93,158	33.9	24,865	9.1	274,747
1953	152,676	58.2	87,237	33.2	22,594	8.6	262,507
1952	152,689	60.4	80,097	31.7	20,007	7.9	252,793
1951	145,625	60.4	78,544	32.6	17,063	7.1	241,232
1950	139,460	61.9	70,039	31.1	15,801	7.0	225,300
1949	132,444	62.3	65,928	31.0	14,142	6.7	212,514
1948	128,074	62.5	62,726	30.6	14,129	6.9	204,929
1947	128,241	62.5	63,806	31.1	13,139	6.4	205,186
1946	130,168	63.9	61,595	30.2	12,083	5.9	203,846
1945	137,464	65.2	61,876	28.4	11,379	5.4	210,819

[1418] *In United States District Court*
DEFENDANT EXHIBIT 81

CHATTANOOGA, TENNESSEE

(Source: Moody's Bank & Finance Manual)

PAGE 2 - DEPOSITS (000)

Dec.31,	HAMILTON		AMERICAN		PIONEER		TOTAL
	Amt	%	Amt	%	Amt	%	(100%)
1960	179,387	54.2	113,379	34.8	35,574	10.9	328,340
1959	174,167	54.6	111,027	34.8	34,022	10.7	319,216
1958	157,321	53.5	105,106	35.8	31,534	10.7	293,961
1957	148,929	55.8	91,770	35.1	24,309	9.1	267,008
1956	147,544	55.6	92,161	34.8	25,462	9.6	265,167
1955	149,133	56.9	90,368	34.5	22,792	8.7	262,293
1954	145,339	57.4	85,670	33.8	22,182	8.8	253,191
1953	143,325	58.7	80,862	33.1	20,151	8.2	244,338
1952	143,670	61.0	74,123	31.4	17,803	7.6	235,596
1951	131,178	60.9	72,934	32.4	14,958	6.6	225,070
1950	131,231	62.5	64,784	30.9	13,855	6.6	209,870
1949	124,836	60.9	61,193	30.8	12,572	6.3	198,601
1948	121,013	63.1	58,372	30.4	12,515	6.5	191,900
1947	121,126	62.9	59,544	30.9	11,859	6.2	192,529
1946	123,493	64.4	57,396	29.9	11,010	5.7	191,899
1945	131,935	65.9	58,229	29.1	9,922	5.0	200,086

[1419] *In United States District Court*
DEFENDANT EXHIBIT 82

CHATTANOOGA, TENNESSEE

(Source: Moody's Bank & Finance Manual)

PAGE 3 - LOANS (000)

	HAMILTON		AMERICAN		PIONEER		TOTAL
Dec.31,	Amt	%	Amt	%	Amt	%	(100%)
1960	88,941	53.4	53,759	32.3	23,827	14.3	166,527
1959	80,956	53.2	51,175	33.6	20,073	13.2	152,204
1958	67,060	51.7	44,104	34.0	18,519	14.3	129,683
1957	51,752	46.9	41,910	38.0	16,621	15.1	110,283
1956	48,172	47.8	37,037	36.8	15,557	15.4	100,766
1955	41,691	47.1	32,869	37.1	14,010	15.8	88,570
1954	37,981	46.8	30,137	37.3	12,847	15.9	80,935
1953	39,278	50.5	25,656	33.0	12,819	16.5	77,753
1952	36,226	51.4	23,728	33.7	10,482	14.9	70,436
1951	39,358	54.4	21,168	29.3	11,762	16.3	72,288
1950	38,704	56.9	19,777	29.1	9,513	14.0	67,994
1949	29,045	56.7	13,731	26.8	8,406	16.4	51,182
1948	35,750	60.9	13,938	23.7	9,006	15.3	58,694
1947	30,818	58.8	12,734	24.3	8,819	16.8	52,371
1946	20,375	55.0	9,302	25.1	7,353	19.9	37,030
1945	14,294	57.4	6,465	26.0	4,135	16.6	24,894

[1420] *In United States District Court*
DEFENDANT EXHIBIT 83

Tables and Excerpts from Annual Report of the Federal Deposit Insurance Corporation for the Year Ended December 31, 1960

Although the growth in number of banks during the six decades from 1860 to 1920 did not proceed at an even pace, in all but a few years that growth exceeded the rate of population increase. By 1920 the average bank in the United States depended for its potential business on a smaller number of people than ever before or since in the nation's history. A century ago there were about 3,000 banks in the nation, and about 11,000 people for each bank. By 1880 the number of persons per bank had declined to about 8,000, by 1890 to 6,000, and by 1920 to fewer than 3,500.

The instability of the 1921 banking structure was demonstrated by the fact that the number of banks fell by half in the next 12 years. About one-third of this great reduction occurred during the predominantly prosperous period of the 1920's, and two-thirds during the depression years, 1930-1933. The decline in number of banks from 1920 to 1933, when adjusted for those that reopened after the banking holiday of 1933, was enough to offset the increase, relative to population, of the 40 years prior to 1920, so that the population per bank was again about 8,000.

During 1934 there was a significant increase in the number of banks, due almost entirely to reopening of banks previously closed. From 1934 to 1959 there was a slow decline in the number of banks, at an average rate of about one-half of 1 percent per year. However, the growth of population during this time resulted in a rise in population per bank to nearly 13,000. (p. 28)

* * *

A general analysis of changes in bank competition during the last several decades is beyond the scope of this report on changes in number of banking offices and the relative position of banks. Nevertheless, the two subjects are related, since data on changes in the number and distribution of banks and branches are essential, though not sufficient, for an appraisal of changes in competition among banks. It has been asserted in recent years that there has been a marked decrease in bank competition as a direct result of the decline in number of banks since 1920. Information collected for this report does not support such an assumption.

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The decline in number of banks during the 1920's and early 1930's is largely attributable to the elimination of uneconomic units which could not survive economic changes and excessive competition of too many banks. The significant question is whether there has been a decline in competition over and above that attributable to the elimination of uneconomic units in that period.

The three measures of concentration used above -- proportion of deposits held by a specific number of percentage of banks in the nation, the proportion of deposits in each State held by the largest bank and the largest five banks in the State, and the proportion of deposits in the leading counties in each of 48 metropolitan areas held by the largest bank and the largest five banks in the area -- all point toward the conclusion that there has been no general increase in bank concentration during the past twenty or twenty-five years. If increasing concentration is taken as evidence of declining competition, the data suggest that the banking system of the nation in the late 1950's, though less competitive than in 1920, was more competitive than in the middle 1930's or early 1940's.

However, it should be kept in mind that there is no fixed relationship between changes in concentration and changes in competition. Other developments in the economy also have an impact on the degree of competition. To what extent, for example, has the quite remarkable change in transportation and communication facilities since 1921 altered the competitive picture? Is the banking situation in a town which had three banks in 1921 less competitive today with only one bank, but with two banks within easy driving distance? Banks in neighboring towns, in neighboring counties, and in neighboring States often compete with the local bank in today's market, at least for certain types of business, but there is no way of measuring the extent of this competition, nor is it possible to compare the degree of such competition with that which may have existed in 1921.

Quite apart from the possibility of competition from banks located near a particular community, a reduction in number of banks within a community will not, by itself, justify a conclusion that competition has been diminished. For example, when the number of banks is reduced from five to three, is competition increased or

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reased thereby if the result is three strong banks rather than
weak banks? Or if a community had two banks in 1921 and now
in their places two branches, each of a different bank, is
petition for the banking business in the community likely to be
less between the two branches than it was between the two banks?
ll another element in the competitive picture is the continuing
wth of metropolitan areas. Many local communities which have
rgone a reduction in the number of banks during the past forty
rs have, during the same period, become a part of a metropolitan
, and now have more ready access than formerly to a broad range
anking services.

From the point of view of an individual bank customer, the
line in number of banks since 1921 may or may not have altered
competitive picture, the answer depending in part on the magni-
e of the customer's own business. For large business concerns
seems quite probable that there has been an increase during the
t 40 years in the competition among banks for their business.
t is to say, the larger banks, mostly located in large cities,
pete with each other for the patronage of concerns doing a
ionwide business. With the greatly increased facilities of
nsportation and communication of recent years, there is more
petition of this sort now than formerly, regardless of the
nges which have occurred in the number of banks or the number
location of banking offices.

However defined, the banking "giants" competing on a nationwide
is appear to be sufficiently numerous to maintain active competi-
n among themselves. Banking is perhaps the only industry in
ch attempts to demonstrate a decline in competition invoke the
e of the 100 largest - or 50 or 25 or 10 largest - units in the
ustry in the nation. In any other industry - say automobile, steel,
electronics - this many "giants" would be taken as prima facie
dence of a high degree of competition.

Of course, not all bank customers have access to the nation's
rge banks; the majority depend upon banks in their own area for
h facilities and services as they require. For an individual or a
ll firm, a reduction in the number of banks operating in a com-
ity from two to one may effectively remove the only nearby

[1423]

alternative source of bank credit. On the other hand, some of the requirements of such bank customers can be handled by other financial institutions, which have grown in considerable importance in many areas of the country, or by banks at a greater distance away than would have been feasible a few decades ago.

It must also be recognized that though we have a changing economy that increases the need for banking services in most parts of the nation, some localities are adversely affected and as a consequence some independent banks are destined to disappear. New highways, particularly those with limited access, may divert the patronage of some local banks to other places because of changes in the flow and routing of traffic. Working forces of an industrial establishment that formed a significant part of the clientele of a local bank may be curtailed because of technical developments, or disappear entirely with the closing of a plant. Absorption of the remaining business of a local bank caught in such a situation may be the only reasonable solution to its difficulties.

No easy or simple answer can be given to the question of the extent to which bank competition has been affected by changes in the number of banks and in the relative position of banks since 1921. If there have been significant changes in the nature of competition among banks, or an appreciable reduction in the intensity of competition among them, the evidence of such changes must come from something other than an examination of changes in the number of banks and in their relative position. (p. 59)

* * *

At the present time we plan to introduce in evidence from this Annual Report of the FDIC for the year 1960 the following tables as they are numbered therein:

Tables 15, 16, 20, 25, 26, 27, 33, 35 and 40.

[1424] *In United States District Court*
DEFENDANT EXHIBIT 83A

Table 15. Number of Banks and Population Per Bank, 1859–1934, and Number of Branches and Offices and Population Per Office, 1900–1934, Continental United States

1859-1896			1896-1934					
Year	Number of banks[1]	Population per bank[1]	Year	Total offices	Number of banks (midyear)[1]	Number of branches[1]	Population per office[1]	Population per bank[1]
1859	2,829	10,847	1896		12,112			5,832
			1897		12,079			5,976
1860	3,061	10,329	1898		12,163			6,042
1861	2,905	11,136	1899		12,439			6,004
1862	2,778	11,947						
1863	2,853	11,926	1900	13,172	13,053	119	5,777	5,830
1864	3,016	11,559	1901		14,064			5,520
			1902		15,112			5,238
1865	3,696	9,659	1903		16,433			4,907
1866	4,013	9,105	1904		17,659			4,658
1867	4,183	8,935						
1868	4,398	8,870	1905	19,117	18,787	350	4,585	4,466
1869	4,258	9,171	1906		20,407			4,187
			1907		21,986			3,967
1870	4,491	8,886	1908		23,161			3,830
1871	5,099	8,044	1909		23,734			3,813
1872	5,374	7,810						
1873	5,580	7,571	1910	25,699	25,151	548	3,596	3,674
1874	5,37[illegible]	7,347	1911		25,815			3,636
			1912		26,472			3,601
1875	6,087	7,405	1913		27,285			3,563
1876	6,121	7,528	1914		27,864			3,557
1877	6,255	7,535						
1878	6,130	7,851	1915	28,502	28,017	785	3,491	3,589
1879	6,074	8,101	1916		28,362			3,595
			1917		28,919			3,576
1880	6,110	8,226	1918		29,480			3,546
1881	6,377	8,062	1919		29,767			3,530
1882	6,825	7,739						
1883	7,304	7,407	1920	32,190	30,909	1,281	3,307	3,444
1884	7,767	7,139	1921	32,531	31,076	1,455	3,337	3,493
			1922	32,587	30,786	1,801	3,382	3,581
1885	7,939	7,137	1923	32,498	30,444	2,054	3,445	3,677
1886	8,966	6,925	1924	31,898	29,601	2,297	3,577	3,855
1887	9,171	6,457						
1888	9,606	6,298	1925	31,577	29,052	2,525	3,668	3,987
1889	10,236	6,085	1926	31,053	28,350	2,703	3,781	4,141
			1927	30,169	27,255	2,914	3,946	4,368
1890	11,055	5,704	1928	29,539	26,401	3,138	4,079	4,564
1891	11,738	5,483	1929	28,921	25,568	3,353	4,210	4,763
1892	12,006	5,469						
1893	12,293	5,404	1930	27,795	24,273	3,522	4,428	5,071
1894	12,196	5,598	1931	25,769	22,242	3,467	4,825	5,577
			1932	22,512	19,317	3,195	5,545	6,463
1895	12,347	5,635	1933	17,556	14,771	2,784	7,153	8,502
1896	12,324	5,752	1934	18,918	15,913	3,005	6,680	7,942

[1425] *In United States District Court*
DEFENDANT EXHIBIT 83B

Table 16. Number of Banks and Branches in the United States (Continental U.S. and Other Areas), 1933–1959

December 31	Total banking offices[1]	Number of banks[1]	Number of branches[1]	Population per office[2]	Population per bank[2]
1933[3]	12,462	15,942	3,080	6,943	8,316
1934	19,580	16,128	3,252	6,648	7,974
1935	19,295	16,023	3,272	6,677	8,083
1936	19,296	15,909	3,489	6,755	8,246
1937	19,162	15,556	3,606	6,845	8,432
1938	19,015	15,270	3,645	6,932	8,602
1939	18,980	15,196	3,693	7,058	8,778
1940	18,791	15,063	3,728	7,154	8,925
1941	18,757	14,933	3,769	7,234	9,054
1942	18,650	14,837	3,813	7,320	9,213
1943	18,760	14,740	4,000	7,323	9,310
1944	18,841	14,700	4,141	7,222	9,256
1945	18,881	14,713	4,168	7,185	9,220
1946	18,987	14,747	4,220	7,585	9,691
1947	19,171	14,765	4,406	7,625	9,914
1948	19,363	14,750	4,613	7,697	10,105
1949	19,584	14,780	4,804	7,739	10,295
1950	19,881	14,698	5,156	7,709	10,496
1951	20,156	14,662	5,494	7,762	10,670
1952	20,449	14,616	5,833	7,769	10,869
1953	20,780	14,553	6,227	7,762	11,092
1954	21,160	14,409	6,751	7,705	11,404
1955	21,676	14,245	7,391	7,728	11,726
1956	22,215	14,209	8,106	7,640	11,999
1957	22,907	14,130	8,777	7,579	12,287
1958	23,588	14,080	9,498	7,498	12,480
1959	24,242	14,004	10,238	7,407	12,823

[1] Tabulations of the Federal Deposit Insurance Corporation. Data have been revised and for most years differ slightly from those published in the respective annual reports of the Corporation. For 1933 and 1934 numbers exceed those in Table 15 by the number of mutual savings branches in continental United States plus the number of commercial and mutual savings banks and branches in other areas (Alaska, American Samoa, Hawaii, Mariana Islands, Panama Canal Zone, Puerto Rico, and Virgin Islands).

[2] Population data used are Bureau of the Census estimates for July 1, as published in *Historical Statistics of the United States, 1789–1945*, and various issues of the *Statistical Abstract of the United States*.

[3] As of January 1, 1934. Figures differ from those for December 30, 1933, because of banks absorbed or otherwise ceasing operations after the close of business on December 30, and because of those unlicensed on that date but approved for insurance or licensed in time to reopen on the morning of January 2, 1934.

[1426] *In United States District Court*
DEFENDANT EXHIBIT 83C

Table 30. Population Per Bank and Per Banking Office, Selected Years, by State

State	Population per bank[1]					Population per banking office[1]		
	1880	1900	1920	1934	1958	1920	1934	1958
Entire United States	6,214	5,914	3,472	7,974	12,561	3,330	6,643	7,498
Continental United States	6,260	5,822	3,439	7,857	12,340	3,284	6,561	7,434
Alabama	22,371	17,091	6,671	12,853	18,435	6,812	11,519	10,663
Arizona	20,220	5,854	3,841	24,388	142,500	3,094	12,514	7,550
Arkansas	57,323	10,498	3,586	7,876	7,451	3,554	7,553	6,493
California	3,081	5,174	4,779	22,881	215,621	3,825	5,761	9,017
Colorado	4,818	4,574	2,832	6,515	9,458	2,832	6,515	9,150
Connecticut	3,129	4,431	5,825	8,207	15,888	5,501	7,909	6,561
Delaware	6,108	7,289	5,439	8,122	15,856	3,912	4,048	6,058
District of Columbia	25,874	13,896	9,734	25,591	68,462	3,980	10,827	11,301
Florida	33,656	12,909	3,882	10,573	15,884	3,855	10,434	15,160
Georgia	19,089	9,512	5,717	8,787	9,312	3,602	8,144	7,856
Idaho	5,435	4,844	1,945	7,619	22,648	1,945	5,298	6,078
Illinois	6,294	4,870	3,294	8,705	10,463	3,294	8,705	10,409
Indiana	8,277	5,146	2,772	6,036	9,894	2,765	6,063	6,443
Iowa	4,890	1,966	1,251	3,775	4,212	1,251	3,298	3,338
Kansas	6,510	3,019	1,812	2,483	3,563	1,812	2,483	3,486
Kentucky	12,308	6,888	4,188	6,161	8,556	4,181	5,830	6,471
Louisiana	37,597	17,713	6,786	14,872	18,720	5,183	10,916	9,094
Maine	4,771	4,630	4,741	7,810	10,943	3,969	5,000	4,583
Maryland	12,142	8,426	5,576	8,532	19,889	4,544	5,758	7,579
Massachusetts	3,699	5,294	7,324	10,743	13,657	7,324	7,920	6,257
Michigan	6,681	4,647	4,311	9,775	20,015	3,432	7,589	8,878
Minnesota	6,848	3,975	1,576	3,885	4,913	1,576	3,851	4,870
Mississippi	36,503	18,728	5,393	9,798	11,268	5,080	8,415	6,874
Missouri	10,228	4,596	2,061	5,265	6,967	2,061	5,265	6,922
Montana	3,915	4,345	1,274	4,567	5,983	1,272	4,567	5,981
Nebraska	5,800	2,066	1,058	3,029	3,444	1,057	3,009	3,428
Nevada	3,891	4,234	2,346	9,900	44,500	2,346	6,600	6,846
New Hampshire	2,965	3,548	3,517	4,221	5,358	3,489	4,184	5,168
New Jersey	10,099	9,914	7,850	9,620	20,314	7,464	7,547	8,581
New Mexico	10,869	13,951	2,930	11,190	15,887	2,815	10,682	8,771
New York	6,850	8,014	9,231	13,906	28,929	7,670	8,041	8,387
North Carolina	48,287	16,049	4,428	13,602	22,409	4,101	10,555	7,397
North Dakota	3,448	2,086	720	3,213	4,194	720	3,182	3,571
Ohio	7,507	5,766	5,080	9,578	15,345	4,804	7,726	7,960
Oklahoma		6,067	2,118	5,734	6,904	2,113	5,734	5,684
Oregon	19,418	5,802	2,828	9,557	21,661	2,818	7,449	8,028
Pennsylvania	6,874	7,927	5,884	8,615	14,801	5,744	7,859	7,577
Rhode Island	2,404	4,762	12,592	20,667	51,471	6,499	9,216	7,056
South Carolina	29,281	9,783	3,652	18,609	16,694	3,537	11,384	8,888
South Dakota	(2)	1,959	987	3,196	4,064	988	3,153	3,093
Tennessee	28,562	11,042	4,266	8,228	11,641	4,038	7,175	7,212
Texas	14,340	7,486	2,774	6,428	9,667	2,774	6,426	9,434
Utah	14,396	7,096	3,279	9,086	17,653	3,279	7,750	7,393
Vermont	4,746	3,861	3,263	3,750	5,313	3,263	3,333	3,916
Virginia	18,091	11,662	4,656	7,729	12,612	4,475	6,369	7,207
Washington	25,038	4,842	3,443	8,084	29,774	3,358	6,974	7,844
West Virginia	15,857	7,580	4,305	10,025	10,760	4,305	9,972	10,760
Wisconsin	9,072	5,928	2,697	4,829	7,083	2,672	4,194	5,562
Wyoming	2,969	2,804	1,215	3,950	6,154	1,216	3,950	6,088

[1] For 1880, 1900, and 1920 computed from number of banks and offices at call dates nearest June 30 and population at census dates; for 1934 and 1958 from number of banks and offices at end of year and population estimates for July 1. Data for number of banks and offices from Table 19; for population, from various issues of *Statistical Abstract of the United States*.
[2] Included with North Dakota.

Table 25. Number of Operating Offices of Commercial Banks in the Continental United States, June 30, 1958

Grouped by Number of Commercial Banking Offices and Population of Center in Which Located

Population of center or metropolitan area	All offices[1]	Offices in centers or metropolitan areas with—								
		1 office	2 offices	3 offices	4 offices	5 offices	6 offices	7 or 8 offices	9 to 19 offices	20 or more offices
All banking offices[1]	**21,736**	**7,703**	**3,412**	**921**	**472**	**220**	**204**	**217**	**872**	**7,715**
In centers or metropolitan areas with population of—										
Less than 250	644	642	2	.....	.....	.....	.....	.....	.....	.....
250 to 1,000	4,116	3,950	160	6	.....	.....	.....	.....	.....	.....
1,000 to 5,000	4,843	2,919	1,788	120	16	.....	.....	.....	.....	.....
5,000 to 25,000	2,848	192	1,422	675	308	135	66	50	.....	.....
25,000 to 100,000	860	.....	40	120	148	80	132	132	208	.....
100,000 to 500,000	3,024	.....	.....	.....	.....	5	6	35	664	2,314
500,000 to 2,500,000	2,723	.....	.....	.....	.....	.....	.....	.....	.....	2,723
2,500,000 or more	2,678	.....	.....	.....	.....	.....	.....	.....	.....	2,678

[1] Excludes trust companies not regularly engaged in deposit banking and "facilities" at military or other Federal Government establishments.

[1428] *In United States District Court*
DEFENDANT EXHIBIT 83E

Table 26. Relative Importance of the Largest Commercial Banks in Continental United States, December 31, Selected Years, 1920–1958

Bank group	1920	1929	1934	1940	1949	1958
All commercial banks						
Number	30,444	24,287	15,518	14,477	14,158	13,499
Deposits (millions)	$35,947	$51,252	$40,060	$65,431	$145,174	$215,995
Largest 100 banks						
Percent of number of all commercial banks	0.33%	0.41%	0.64%	0.69%	0.71%	0.74%
Deposits (millions)	(1)	$21,506	$21,462	$37,081	$64,611	$98,781
Percent of deposits of all commercial banks	(1)	41.9%	53.6%	56.7%	44.5%	45.7%
Largest 10 banks						
Deposits (millions)	$3,481	$8,400	$9,189	$17,244	$27,505	$42,939
Percent of deposits of all commercial banks	9.7%	16.4%	22.9%	26.4%	18.9%	19.9%
Largest bank						
Deposits (millions)	$699	$1,314	$1,629	$3,466	$5,658	$9,928
Percent of deposits of all commercial banks	1.9%	2.6%	4.1%	5.3%	3.9%	4.6%
Largest ½ of 1 percent of the banks						
Number of banks	152	121	78	72	71	67
Deposits (millions)	(1)	$22,565	$20,135	$34,159	$58,519	$87,333
Percent of deposits of all commercial banks	(1)	44.0%	50.3%	52.2%	40.3%	40.4%
Largest 1/10 of 1 percent of the banks						
Number of banks	30	24	16	14	14	13
Deposits (millions)	(1)	$13,315	$11,897	$20,360	$32,607	$48,305
Percent of deposits of all commercial banks	(1)	26.0%	29.7%	31.1%	22.5%	22.4%

(1) Not available.

Table 27. Relative Importance of the Largest Commercial Banks or Bank Groups, Continental United States, December 31, 1934, 1940 and 1958

Bank group	1934	1940	1958
All commercial banks or bank groups			
Number	15,008	14,099	13,097
Deposits (millions)	$40,060	$65,431	$215,995
Largest 100 banks or bank groups			
Percent of all commercial banks or bank groups	0.67%	0.71%	0.76%
Deposits (millions)	$22,718	$38,843	$105,961
Percent of deposits of all commercial banks	56.7%	59.4%	49.1%
Largest 10 banks or bank groups			
Deposits (millions)	$9,501	$17,577	$44,708
Percent of deposits of all commercial banks	23.7%	26.9%	20.7%
Largest ½ of 1 percent of the banks or bank groups			
Number of banks or groups	75	70	65
Deposits (millions)	$21,240	$35,480	$93,509
Percent of deposits of all commercial banks	53.1%	54.7%	43.3%
Largest 1/10 of 1 percent of the banks or bank groups			
Number of banks or groups	15	14	13
Deposits (millions)	$11,959	$20,996	$51,159
Percent of deposits of all commercial banks	29.9%	32.1%	23.7%

In United States District Court
DEFENDANT EXHIBIT 83F

TABLE 33

CAPITAL ACCOUNT RATIOS OF BANKS OF DEPOSIT CLASSIFIED ACCORDING TO SUPERVISORY STATUS AND FEDERAL DEPOSIT INSURANCE PARTICIPATION
DECEMBER 31, 1960

Supervisory status [1]	All banks of deposit			Commercial banks and trust companies		Mutual savings banks	
	Total	Insured	Non-insured	Insured	Non-insured	Insured	Non-insured
All banks of deposit	8.2%	8.1%	11.2%	8.1%	14.6%	8.5%	10.1%
Examined by and reporting to:							
Comptroller of the Currency	8.0	8.0	--	8.0	--	--	--
State authorities and Federal Reserve Banks	8.2	8.2	--	8.2	--	9.5	--
State authorities and Federal Deposit Insurance Corporation	8.4	8.4	--	8.2	--	8.5	--
State authorities only	11.2	--	11.2	--	14.6	--	10.1

[1] See notes to Table 30

BANKS AND BANKING OFFICES, AND POPULATION PER BANK AND PER BANKING OFFICE, UNITED STATES
DECEMBER 31, 1960

TABLE 35

Item	Entire United States	50 States and D. C.	48 States and D. C.
NUMBER OF BANKING OFFICES			
All banks - total offices	25,105	24,954	24,810
Banks	13,999	13,985	13,960
Branches	11,106	10,969	10,850
Commercial banks and trust companies - total offices	24,103	23,954	23,810
Banks	13,484	13,471	13,446
Branches	10,619	10,483	10,364
Mutual savings banks - total offices	1,002	1,000	1,000
Banks	515	514	514
Branches	487	486	486
POPULATION PER OFFICE OR PER BANK			
Population per office:			
All banks	7,269	7,212	7,220
Commercial banks and trust companies	7,551	7,526	7,523
Population per bank:			
All banks	13,036	12,869	12,831
Commercial banks and trust companies	13,534	13,327	13,321
Estimated population - July 1, 1960 (in thousands) [1]	182,492	179,977	179,118

[1] For 50 States and D. C., Bureau of the Census estimate (release January 26, 1961, Series P-25, No. 223); for entire United States, foregoing plus population April 1 of Puerto Rico (preliminary), American Samoa, Canal Zone, Guam, and Virgin Islands; for 48 States and D. C., July 1 figure for 50 States and D. C. minus population April 1 of Alaska and Hawaii.

Back data, all banks: 1859-1934, States and D. C., Table 15 of this Report, p. 29; 1933-1959, entire United States, Table 16

Table 40. COMMERCIAL BANKING OFFICES AND PERCENTAGE OF DEPOSITS IN THE LARGEST BANKS IN THE PRINCIPAL COUNTY (OR COUNTIES) IN 65 METROPOLITAN AREAS, JUNE 15, 1960 [1]

Metropolitan area	Number of commercial banks and trust companies operating in county (or counties) [2]	Number of offices operated	Population per office [3]	Percentage of deposits of all commercial banks in—		
				Largest bank	Largest three banks	Largest five banks
13 metropolitan areas in States with statewide branch banking prevalent [4]						
Sacramento: Sacramento County, California	10	46	10,930	51.1%	91.8%	96.2%
Phoenix: Maricopa County, Arizona	6	82	8,092	50.8	96.9	99.2
Providence: Bristol, Kent and Providence Counties, Rhode Island	7	77	9,332	47.6	86.7	93.2
San Jose: Santa Clara County, California	8	71	9,047	44.7	79.6	96.3
Honolulu: Honolulu County, Hawaii	10	61	8,203	42.6	87.1	96.7
San Diego: San Diego County, California	7	97	10,650	42.0	87.3	96.5
Hartford: Hartford County, Connecticut	18	62	11,122	40.1	81.7	87.9
Portland: Clackamas and Multnomah Counties, Oregon	11	62	10,256	39.3	86.5	91.4
Los Angeles: Los Angeles County, California	47	568	10,569	38.4	77.9	90.3
Seattle: King County, Washington	15	99	9,445	31.9	67.9	88.0
San Bernardino: Riverside and San Bernardino Counties, California	13	90	8,998	29.1	67.7	88.7
San Francisco: Alameda and San Francisco Counties, California	18	224	7,959	28.1	59.6	76.4
Baltimore: Baltimore City and Baltimore County, Maryland	13	116	12,340	23.0	58.7	79.1
34 metropolitan areas in States with limited area branch banking prevalent [4]						
Birmingham: Jefferson County, Alabama	7	36	17,635	60.9	92.8	99.3
Toledo: Lucas County, Ohio	7	39	11,716	53.5	90.1	97.5
Dayton: Montgomery County, Ohio	12	33	15,972	52.4	82.2	92.5
Pittsburgh: Allegheny County, Pennsylvania	33	141	11,550	51.7	82.2	89.4
Boston: Suffolk County, Massachusetts	15	93	8,509	51.5	78.3	90.5
Knoxville: Knox County, Tennessee	8	21	11,930	49.1	88.2	100.0
Columbus: Franklin County, Ohio	14	49	13,918	47.6	87.6	91.5
Norfolk: Norfolk City, Portsmouth City and Norfolk County, Virginia	8	48	9,218	47.5	76.1	88.2
Akron: Summit County, Ohio	7	30	17,119	45.1	83.6	96.3
Memphis: Shelby County, Tennessee	6	51	12,244	43.9	92.6	97.0
Rochester: Monroe County, New York	6	52	17,276	43.7	87.[illegible]	99.5
Detroit: Wayne County, Michigan	24	240	11,116	42.6	78.1	89.2
New Orleans: Orleans County, Louisiana	6	39	16,090	41.8	84.8	99.3
Nashville: Davidson County, Tennessee	9	45	9,296	41.4	89.4	98.4
Indianapolis: Marion County, Indiana	8	82	8,507	41.1	86.8	99.6
Cleveland: Cuyahoga County, Ohio	8	148	11,134	38.1	78.1	97.9
Buffalo: Erie and Niagara Counties, New York	15	129	10,131	37.6	78.7	91.2
Gary: Lake County, Indiana	15	35	13,872	35.3	82.5	97.8
Washington: District of Columbia	12	77	9,922	34.9	74.4	87.0
Syracuse: Onondaga County, New York	8	47	9,091	34.8	77.0	97.2

[1432] *In United States District Court*

DEFENDANT EXHIBIT 84

Excerpts from "Financing Small Business," Report by the Federal Reserve System to the Committees on Banking and Currency and the Select Committee on Small Business, 85th Cong., 2d Sess. (April 11, 1958)

Life insurance companies have experienced a steady rate of increase in total assets during the present century. Assets have doubled each decade since 1910 and now amount to about $100 billion. By virtue of the vast sums of money at their disposal, the life insurance companies are one of the most important sources of business financing. They have specialized in medium- and long-term credits provided through open market purchases of corporate bonds and notes, direct purchases of such instruments, and mortgage loans on nonresidential property. (p. 32)

* * *

One measure of the adequacy of financing is the health and ability to grow of small businesses. By this test, financing appears to have been adequate for the sector as a whole in the postwar period. Incomes of the self-employed rose at least as rapidly as those of the general population, formation of new firms continued at a high rate, business failures were below rates in prosperous prewar years, volume of equity investment in new and established small firms was of considerable magnitude although nearly all of the equity funds bypassed the organized capital markets, and the volume of credit capital made available to small firms increased tremendously. (p. 148)

The heavy flow of equity funds into small business has probably been fostered by widespread ownership of liquid assets and other wealth during the postwar period.

A second measure of the adequacy of financing is a fair and equitable distribution of funds. Although it is impossible to set up an absolute standard of fairness, a guide is furnished by trends in the availability and terms of financing. On this basis, it can be said that in the postwar period, credit has become more

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readily available to small-business, for more extended periods, and at a cost that has differed less and less from that of large businesses. In fact, the tremendous postwar increase in indebtedness of small businesses might raise the contrary question of whether credit has become too readily available and at too low a price relative to the cost of equity. (p. 148)

* * *

Loan expansion between 1955 and 1957 was greater at large than at smaller banks, and large banks generally expanded their loans to small- and medium-size businesses more than smaller banks. Within most size classes of banks, loan expansion was greater for large than for smaller businesses. In general, growth in total business loans and in loans to smaller businesses was greatest in geographic areas experiencing the greatest economic expansion.

Smaller businesses paid higher interest rates on their bank loans than large businesses in both 1955 and 1957, but, in the intervening period, rates charged large businesses rose much more than rates charged smaller borrowers. Businesses of a given size generally paid about the same rate on their loans, whether they borrowed from a large or a small bank.

About 5 percent of the amount and 8 percent of the number of member-bank loans outstanding on October 16, 1957, were to relatively new businesses. Most of these loans were to small, unincorporated businesses, and, generally, carried somewhat less favorable terms and interest rates than those to established businesses. (p. 372)

* * *

For purposes of the present report, it is significant to note the differences by size of bank, as indicated in table 10. Generally, the largest banks showed the biggest relative gains in business loans to all sizes of borrowers. In terms of the amount of loans to small business, banks under $20 million deposits showed the smallest relative gain during the period -- an increase of 6 percent. On the other hand, the 2 larger sizes of banks showed increases of about 12 percent.

Thus, the increases in loans to small business were relatively the greatest at the largest banks, despite the severe squeeze on

[1434]

their loanable fund position, as previously discussed. Conversely, the smallest relative gains in loans to small business occurred at the smallest class of banks, which, as noted earlier, were in a much more comfortable position for loanable funds.

The above developments seem to confirm the tentative conclusion suggested earlier: that the main weight of business loan demands tended to focus on the larger banks. Even more important, the possibility is suggested that loan demand from small business at the banks under $20 million of deposits, generally located in nonmetropolitan areas, was not very vigorous. The size class of banks involved was in a position to meet a much larger loan demand, from a standpoint of loanable funds. Whether such banks simply did not have large demands from small business, or whether they were following very restrictive policies in lending to small firms, is not indicated one way or the other by the mere statistics. (p. 426)

IN UNITED STATES DISTRICT COURT

Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank & Trust Company of Lexington and First Security National Bank & Trust Company of Lexington as Guardian, Committee, and Curator for the years 1940-1961 inclusive.

Year	Under $10,000	$10,000 to 25,000	$25,000 to 50,000	$50,000 to 100,000	$100,000 to 250,000	$250,000 to 500,000	
1940							
1941		1					
1942		1	1				
1943							
1944		1					
1945	1	1					
1946	6						
1947		3					
1948	3			1			
1949		3	2				
1950							
1951	1			1			
1952		2			1		
1953		1		1			
1954	1						
1955	2						
1956	1	1					
1957	2	1					
1958	1			1	1		
1959	1		1				
1960	2	1	1				
1961			2		1		
	21	16	7	4	3		Totals 51
	41.17%	31.37%	13.72%	7.84%	5.88%		99.98%

When an applicant seeks to be appointed as a fiduciary by the Fayette County Court he must file a sworn application giving an estimate of the value of the real and personal property contained in the estate. Upon his appointment the fiduciary is required to execute a bond for the value of the personal property and the real property if the fiduciary has a power of sale over the real property, or if it is necessary to sell the real estate to pay debts, etc., and settle the estate. The figures as to values shown in the foregoing table are taken from the records of one Fayette County Court and they represent the amount of the bonds executed by the fiduciary.

IN UNITED STATES DISTRICT COURT

Distribution of size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank & Trust Company of Lexington, and First Security National Bank & Trust Company of Lexington as Executor, Administrator and Administrator W.W.A. for the years 1940 - 1961 inclusive.

Year	Under $10,000	$10,000 to $25,000	$25,000 to $50,000	$50,000 to $100,000	$100,000 to $250,000	$250,000 to $500,000	$500,000 to $1,000,000	Over $1,000,000	
1940	4	1	2	2	1	1	None	None	
1941	4	3	4	5	None	None	None	None	
1942	1	2	None	None	1	1	None	None	
1943	2	1	2	2	6	None	None	None	
1944	1	1	None	2	None	2	None	None	
1945	4	2	2	2	2	1	None	None	
1946	4	2	2	4	2	2	None	None	
1947	4	7	4	2	None	2	1	None	
1948	6	5	4	2	4	None	None	None	
1949	8	12	3	4	2	None	1	None	
1950	9	6	6	None	3	None	None	None	
1951	7	3	5	5	3	1	None	None	
1952	6	5	2	7	5	None	None	None	
1953	6	4	6	6	6	1	1	None	
1954	3	9	6	4	3	2	1	None	
1955	3	2	5	5	5	2	None	1	
1956	8	4	5	6	3	None	None	None	
1957	12	4	2	4	6	2	None	1	
1958	3	6	6	3	7	2	None	None	
1959	6	4	2	2	1	1	None	2	
1960	4	8	3	8	3	3	1	None	
1961	4	5	8	4	6	3	None	None	
	109	96	79	81	69	26	5	4	Totals 469
	23.24%	20.46%	16.84%	17.27%	14.71%	5.54%	1.06%	.85%	99.97%

Source and Explanation: (Copy attached)

[1438]

Source and Explanation:

When an applicant seeks to be appointed as a fiduciary by the Fayette County Court he must file a sworn application giving an estimate of the value of the real and personal property contained in the estate. Upon his appointment the fiduciary is required to execute a bond for the value of the personal property and the real property if the fiduciary has a power of sale over the real property, or if it is necessary to sell the real estate to pay debts, etc., and settle the estate. The figures as to values shown in the foregoing table are taken from the records of one Fayette County Court and they represent the amount of the bonds executed by the fiduciary.

IN UNITED STATES DISTRICT COURT

Distribution by size of probate bond of total number of fiduciary qualifications in Fayette County Court by Security Trust Company, First National Bank & Trust Company of Lexington, and First Security National Bank & Trust Company of Lexington as Trustee under Will for the years 1940-1961 inclusive.

Year	Under $10,000	$10,000 to 25,000	$25,000 to 50,000	$50,000 to 100,000	$100,000 to 250,000	$250,000 to 500,000	$500,000 to 1,000,000	Over $1,000.00	
1940	None	1	2	None	1	1			
1941	2	None	1	1	None	None			
1942	5	1	3	None	1	2			
1943	1	None	2	None	3	None			
1944	1	1	1	None	1	None			
1945	None	None	1	3	1	1			
1946	2	1	2	1	3	None	1		
1947	1	1	3	None	None	1	1		
1948	1	1	2	1	2	None			
1949	1	1	3	2	1	None	1		
1950	None	1	2	None	1	None			
1951	None	3	None	1	3	1			
1952	None	1	2	2	3	1			
1953	None	None	3	3	2	None			
1954	1	1	None	None	4	1	1		
1955	1	None	3	1	2	2		1	
1956	None	2	3	2	None	None			
1957	1	4	2	1	8	1			
1958	2	3	4	3	3	2			
1959	1	None	1	2	None	None		2	
1960	None	3	None	1	1	1	1		
1961	4	3	1	3	2	1			
	24	28	41	27	42	15	5	3	Totals 185
	12.97%	15.13%	22.16%	14.59%	22.70%	8.10%	2.70%	1/62%	99.97%

[1440]

Source and Explanation:

When an applicant seeks to be appointed as a fiduciary by the Fayette County Court he must file a sworn application giving an estimate of the value of the real and personal property contained in the estate. Upon his appointment the fiduciary is required to execute a bond for the value of the personal property and the real property if the fiduciary has a power of sale over the real property, or if it is necessary to sell the real estate to pay debts, etc., and settle the estate. The figures as to values shown in the foregoing table are taken from the records of one Fayette County Court and they represent the amount of the bonds executed by the fiduciary.

[1441] *In United States District Court*
DEFENDANT EXHIBIT 88

COMPARISON OF TOTAL ASSETS OF COMMERCIAL BANKS IN CENTRAL RESERVE AND RESERVE CITIES WITH ALL COMMERCIAL BANKS IN THE UNITED STATES AND POSSESSIONS JUNE 29, 1956 AND JUNE 30, 1956

	(Amounts in thousands of dollars) June 29, 1956	June 30, 1956
Number of central, reserve and reserve cities	53	54
Number of commercial banks in central reserve and reserve cities	741	718
Total assets of commercial banks in central reserve and reserve cities	$89,986,136	$117,130,880
Percent of total assets of all commercial banks	58.18	56.63
Total assets of all commercial banks	$154,680,952	$206,895,638
Total number of commercial banks	14,093	13,701

[1442]

[illegible] II - RESERVE CITY OF BIRMINGHAM, ALABAMA

(Amounts in thousands of dollars)

JUNE 30, 1950

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	333,780	63.78	63.35
Birmingham Trust National Bank 1/	132,046	25.23	25.06
Bank for Savings & Trusts	26,915	5.14	5.11
Exchange Bank	18,086	3.46	3.43
Security Commercial Bank	12,528	2.39	2.38
Total 5 largest banks	523,335	100.00	99.33
Total 1 other bank	3,509		.67
Total 6 commercial banks	526,844		100.00

1/ Conversion of Birmingham Trust & Savings Bank, Dec. 20, 1946 - assets $109,879,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	237,620	64.43	63.94
Birmingham Trust & Savings Co.	109,879	29.79	29.56
Bank for Savings & Trusts	8,884	2.41	2.39
Exchange Bank	8,682	2.35	2.34
Security Savings Bank 1/	3,765	1.02	1.01
Total 5 largest banks	368,830	100.00	99.24
Total 1 other bank 2/	2,819		.76
Total 6 commercial banks	371,649		100.00

1/ Title changed Apr. 1, 1950 to Security Commercial Bank.
2/ A corporation.

[1443]

BANKS IN - BUSINESS CITY OF LITTLE ROCK ARKANSAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Union National Bank	73,809	39.13	33.92
Worthen Bank & Trust Company	65,707	30.39	30.20
First National Bank 1/	38,533	17.81	17.71
Commercial National Bank	36,525	16.90	16.79
The Bank of Arkansas 2/	1,665	.77	.76
Total 5 largest banks	216,239	100.00	99.38
Total 1 other bank 2/	1,359		.62
Total 6 commercial banks	217,598		100.00

1/ Formerly The Peoples National Bank.
2/ Both chartered in 1956.
NOTE:- Excludes Metropolitan Trust Company not engaged in banking.

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
W. B. Worthen Co. Bankers 1/	63,725	38.41
Union National Bank	53,537	32.27
Commercial National Bank	32,021	19.30
Peoples National Bank	16,615	10.02
Total 4 commercial banks	165,898	100.00

1/ Title changed Dec. 31, 1946 to Worthen Bank & Trust Company.

[1444]

[illegible] - [illegible] CITY OF SAN FRANCISCO, CALIFORNIA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The Bank of America, Nat'l Tr. & Sav. Ass'n. *	7,701,486	63.16	58.71
American Trust Company	1,559,585	12.79	11.89
Crocker-Anglo National Bank 1/	1,439,311	11.81	10.98
First Western Bank & Trust Co. 2/	889,882	7.28	6.76
Wells Fargo Bank	605,168	4.96	4.61
Total 5 largest banks	12,193,032	100.00	92.95
Total 10 all other banks 3/	924,258		7.05
Total 15 commercial banks	13,117,290		100.00

1/ Anglo California National Bank, assets $326,721,000, consolidated Feb. 13, 1956 with Crocker-First National Bank under title Crocker-Anglo National Bank.
2/ Formerly San Francisco Bank.
3/ Includes 2 national banks.

NOTE: - Excludes Western Title Insurance Guarantee Co. (non-deposit) with assets of $300,000.

* Exclusive of $1,331,418 in Los Angeles branches.

JUNE 29 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The Bank of America, Nat'l Tr.& Sav.Ass'n. *	4,473,135	65.41	59.51
American Trust Company	982,028	14.36	13.06
Wells Fargo Bank	556,608	8.14	7.41
Anglo-California National Bank	489,746	7.16	6.52
Crocker First National Bank	336,714	4.93	4.48
Total 5 largest banks	6,838,227	100.00	90.98
Total 7 all other banks 1/	678,251		9.02
Total 12 commercial banks	7,516,478		100.00
Total 1 mutual savings bank	156,699		

1/ Includes 2 national banks.

NOTE:- Excludes Title Insurance & Guarantee Co. (non-deposit) with assets of $276,000.

* Exclusive of $1,014,456 in Los Angeles branches.

[1445]

BANKS # - RESERVE CITY OF LOS ANGELES, CALIFORNIA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Security-First National Bank	2,184,618	41.94	39.19
Bank of America Nat'l Tr. & Sav. Assn. (Branches) 1/	1,331,418	25.56	23.85
California Bank 2/	866,101	16.67	15.57
Citizens National Trust & Savings Bank	471,208	9.05	8.45
Farmers & Merchants National Bank	353,241	6.78	6.34
Total 5 largest banks	5,208,586	100.00	93.44
Total 7 all other banks 3/	365,429		6.56
Total 12 commercial banks	5,574,015		100.00

1/ Treated as a unit bank for comparative purposes since the head office is in another reserve city.
2/ Took over California Trust Company by merger Mar. 4, 1955 - assets $2,250,000
3/ Includes 1 national bank.

NOTE:- Excludes 2 non-deposit trust companies with assets aggregating $3,111,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Security-First National Bank	1,732,420	44.75	42.84
Bank of America Nat'l Tr. & Sav. Assn (Branches)	1,014,456	26.20	25.08
California Bank	468,650	12.11	11.59
Citizens National Trust & Savings Bank	358,715	9.27	8.87
Farmers & Merchants National Bank	296,950	7.67	7.34
Total 5 largest banks	3,871,191	100.00	95.72
Total 4 all other banks	173,100		4.28
Total 9 commercial banks	4,044,291		100.00

NOTE:- Excludes 2 non-deposit trust companies with assets aggregating $3,562,000.

[1446]

BANKS IN -- DENVER, CITY OF DENVER, COLORADO

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	207,101	29.69	22.46
Denver National Bank	148,465	21.28	16.11
Colorado National Bank	133,858	19.17	14.53
United States National Bank	112,596	16.12	12.22
Central Bank & Trust Co.	96,380	13.80	10.46
Total 5 largest banks	698,398	100.00	75.80
Total 14 all other banks 1/	223,019		24.20
Total 19 commercial banks	921,417		100.00

1/ Includes 3 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	166,558	32.04	27.24
Denver National Bank	107,414	21.05	17.57
Colorado National Bank	106,663	20.90	17.45
United States National Bank	79,311	15.54	12.97
International Trust Co.	50,394	9.87	8.24
Total 5 largest banks	510,340	100.00	83.47
Total 8 all other banks 1/	101,090		16.53
Total 13 commercial banks	611,430		100.00

1/ Includes 3 national banks.

[1447]

BANKS IN - METROPOLITAN CITY OF PUEBLO - COLORADO

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
First National Bank	45,460	50.42
Pueblo Savings & Trust Co.	20,865	23.14
Minnequa Bank	15,585	17.28
Arkansas Valley Bank	8,261	9.16
Total 4 commercial banks	90,171	100.00

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
First National Bank	42,004	67.11
Pueblo Savings & Trust Co.	15,034	24.02
Minnequa Bank	5,549	8.87
Total 3 commercial banks	62,587	100.00

[1448]

PART II - [illegible] CITY OF WASHINGTON, D. C.

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Riggs National Bank 1/	460,030	41.00	30.51
American Security & Trust Company 2/	259,384	23.11	17.20
The National Bank of Washington 3/	257,274	22.93	17.06
Union Trust Company 4/	76,935	6.86	5.10
The National Metropolitan Bank	68,498	6.10	4.54
Total 5 largest banks	1,122,121	100.00	74.41
Total 12 all other banks 5/	385,984		25.59
Total 17 commercial banks	1,508,105		100.00

1/ Took over Washington Loan & Trust Co. by consolidation Oct. 1, 1953 - assets $55,874,000.
2/ Purchased Columbia National Bank Nov. 30, 1946 - assets $10,933,000.
3/ Took over Hamilton National Bank by consolidation Oct. 1, 1954 - assets $115,540,000.
4/ Purchased Citizens Bank of Washington Jan. 31, 1947 - assets $14,775,000.
5/ Includes 5 national banks, 2 of which are country banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Riggs National Bank	331,950	47.60	29.94
American Security & Trust Company	137,600	19.73	12.41
Hamilton National Bank	104,976	15.05	9.47
The National Metropolitan Bank	66,074	9.47	5.96
Washington Loan & Trust Company	56,819	8.15	5.13
Total 5 largest banks	697,419	100.00	62.91
Total 16 all other banks 1/	411,175		37.09
Total 21 commercial banks	1,108,594		100.00

1/ Includes 7 national banks, 2 of which are country banks.

[1449]

B-43 II - RESERVE CITY OF JACKSONVILLE, FLORIDA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Atlantic National Bank	200,258	36.63	34.76
Florida National Bank	194,523	35.58	33.77
Barnett National Bank	120,264	22.00	20.88
American National Bank	17,177	3.14	2.98
Springfield Atlantic Bank	14,454	2.65	2.51
Total 5 largest banks	546,676	100.00	94.90
Total 6 all other banks 1/	29,355		5.10
Total 11 commercial banks	576,031		100.00

1/ Includes 1 national bank which was a conversion of Central Savings Bank, July 5, 1955 - assets $3,737,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Atlantic National Bank	146,527	37.63	37.43
Florida National Bank	136,941	35.16	34.98
Barnett National Bank	91,971	23.62	23.50
Springfield Atlantic Bank	8,030	2.06	2.05
American National Bank	5,964	1.53	1.52
Total 5 largest banks	389,433	100.00	99.48
Total 2 all other banks	2,039		.52
Total 7 commercial banks	391,472		100.00

[1450]

BANKS IN - RESERVE CITY OF ATLANTA, GEORGIA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	393,290	37.55	35.19
Citizens & Southern Natl. Bank (Domsub) 1/	261,347	24.96	23.39
Trust Company of Georgia 2/	194,789	18.60	17.43
Fulton National Bank	170,466	16.28	15.25
The Bank of Georgia	27,328	2.61	2.45
Total 5 largest banks	1,047,220	100.00	93.71
Total 7 all other banks 3/	70,270		6.29
Total 12 commercial banks	1,117,490		100.00

1/ Treated as a unit bank for comparative purposes since the head office is in another reserve city.
2/ Took over the East Atlanta Bank by merger on May 1, 1956 - assets $7,683,000.
3/ Includes The Citizens and Southern Bank which took over the American Savings Bank with assets of $6,419,000 on Jan. 3, 1950.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	344,514	44.28	42.03
Citizens & Southern Natl. Bank (Domsub) 1/	169,458	21.78	20.67
Fulton National Bank	134,629	17.30	16.42
Trust Company of Georgia	111,454	14.32	13.60
Georgia Savings Bank & Trust Co.	18,068	2.32	2.21
Total 5 largest banks	778,123	100.00	94.93
Total 8 all other banks	41,585		5.07
Total 13 commercial banks	819,708		100.00

[1451]

[illegible] - [illegible] CITY OF [illegible], [illegible] *

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Citizens & Southern National Bank 1/	180,865	71.05	69.15
Savannah Bank & Trust Co. 2/	39,463	15.50	15.09
Liberty National Bank & Trust Co.	22,534	8.85	8.62
Georgia State Savings Bank	7,979	3.14	3.05
Atlanta Savings & Trust Co.	3,713	1.46	1.42
Total 5 largest banks	254,554	100.00	97.33
Total 4 all other banks	6,992		2.67
Total 9 commercial banks	261,546		100.00

* Terminated as a reserve city October 1, 1945. However, for reserve purposes Citizens & Southern National Bank was classified that date as a reserve city bank since it has a branch located in the reserve city of Atlanta.

1/ Exclusive of reserves of branches in Atlanta.
2/ Purchased Citizens Bank & Trust Co., with assets of $5,457,000, Feb. 27, 1950.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Citizens & Southern National Bank	152,094	73.19	70.56
Savannah Bank & Trust Co.	22,153	10.66	10.28
Liberty National Bank & Trust Co.	19,483	9.38	9.04
Citizens Bank & Trust Co.	7,149	3.44	3.32
Georgia State Savings Assn. of Ga. 1/	6,928	3.33	3.21
Total 5 largest banks	207,807	100.00	96.41
Total 5 all other banks	7,738		3.59
Total 10 commercial banks	215,545		100.00

1/ Title changed Sept. 8, 1950 to Georgia State Savings Bank.

[1452]

BANKS IN - CENTRAL RESERVE CITY OF CHICAGO, ILLINOIS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	2,897,000	38.70	25.78
Continental Illinois Nat'l Bk. & Tr. Co.	2,622,995	35.65	23.75
Harris Trust and Savings Bank	763,614	10.38	6.92
Northern Trust Company	727,077	9.89	6.58
City National Bank & Trust Co.	395,965	5.38	3.58
Total 5 largest banks	7,356,811	100.00	66.61
Total 71 all other banks 1/ 2/	3,687,000		33.39
Total 76 commercial banks	11,043,811		100.00

1/ Includes 42 national banks, also 1 Title & Trust Company with no deposits.
2/ Includes 2 national banks which took over 3 national banks in Chicago with assets aggregating $96,831,000. Also, includes 1 national bank which is a conversion of a State bank.

JUNE 29, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Continental Illinois National Bk. & Tr.Co.	2,371,677	39.72	29.06
First National Bank	2,177,319	36.00	26.68
Northern Trust Company	656,693	10.85	8.05
Harris Trust and Savings Bank	528,102	8.67	6.42
City National Bank and Trust Co.	316,303	5.26	3.90
Total 5 largest banks	6,047,894	100.00	74.11
Total 59 all other banks 1/	2,112,851		25.89
Total 64 commercial banks	8,160,745		100.00

1/ Includes 35 national banks, also 2 trust companies with no deposits.

[1453]

AREA 18 - PLACE: CITY OF NATIONAL CITY, ILLINOIS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Commercial Bank:		
National Stock Yards National Bank	111,272	100.00

JUNE 29, 1946 1/

	Total assets	Percent to total
Commercial Bank:		
National Stock Yards National Bank	103,268	100.00

1/ Designated a reserve city March 1, 1948.

[1454]

BANKS IN - KANSAS CITY OF INDIANAPOLIS, INDIANA

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Indiana National Bank 1/	452,954	42.56	41.09
American Fletcher National Bank & Trust Co. 2/	309,563	29.09	28.08
Merchants National Bank & Trust Co. 3/	205,293	19.29	18.62
Fidelity Trust Co. 4/	61,713	5.80	5.60
Indianapolis Morris Plan Corporation	34,733	3.26	3.15
Total 5 largest banks	1,064,256	100.00	96.54
Total 3 all other banks	38,154		3.46
Total 8 commercial banks	1,102,410		100.00

1/ The Security Trust Company, assets $12,605,000, purchased Nov. 1, 1946 by Union Trust Co., which subsequently with assets of $46,470,000 consolidated Dec. 30, 1950 with Indiana National Bank; took over Madison Avenue State Bank, assets $5,206,000, on Dec. 29, 1948.

2/ Fletcher Trust Co., assets $156,256,000, consolidated Dec. 31, 1954 with American National Bank at Indianapolis under title American Fletcher National Bank and Trust Company.

3/ Fountain Square State Bank, assets $10,140,000, consolidated Nov. 17, 1948 with The Merchants National Bank of Indianapolis; Indiana Trust Company, assets $38,439,000, consolidated Sept. 30, 1953 with The Merchants National Bank of Indianapolis and the title Merchants National Bank & Trust Company of Indianapolis.

4/ Took over Central State Bank, assets $3,476,000, and Northwestern State Bank, assets $3,475,000, on Jan. 4, 1954.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Indiana National Bank	286,665	43.06	35.74
Fletcher Trust Company	122,233	18.36	15.66
American National Bank	115,212	17.31	14.77
Merchants National Bank	102,279	15.36	13.11
Indiana Trust Company	39,329	5.91	5.04
Total 5 largest banks	665,718	100.00	85.32
Total 11 all other banks	114,549		14.68
Total 16 commercial banks	780,267		100.00

BANKS IN - RESERVE CITY OF DES MOINES, IOWA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Iowa-Des Moines National Bank	131,654	34.22	31.17
Central National Bank	116,065	30.17	27.48
Bankers Trust Co. 1/	85,131	22.12	20.15
Valley Bank & Trust Co.	31,205	8.11	7.39
Capital City State Bank	20,695	5.38	4.
Total 5 largest banks	384,750	100.00	91.09
Total 6 all other banks 2/	37,646		8.91
Total 11 commercial banks	422,396		100.00

1/ Purchased Des Moines Bank & Trust Company Jan. 19, 1953 - assets $7,841,000.
2/ Includes 1 national bank.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Iowa-Des Moines National Bank & Trust Co.	115,754	41.10	38.50
Central National Bank & Trust Co.	79,737	28.31	26.52
Bankers Trus. Company	59,569	21.15	19.82
Valley Bank & Trust Co.	17,121	6.08	5.70
Capital City State Bank	9,451	3.36	3.14
Total 5 largest banks	281,632	100.00	93.68
Total 4 all other banks	18,992		6.32
Total 9 commercial banks	300,624		100.00

[1456]

BANKS IN - RESERVE CITY OF CEDAR RAPIDS, IOWA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
Merchants National Bank	101,283	66.04
Peoples Bank & Trust Co.	26,508	17.29
Guaranty Bank & Trust Co.	13,204	8.61
First Trust & Savings Bank	7,416	4.84
United State Bank	4,946	3.22
Total 5 commercial banks	153,357	100.00

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
Merchants National Bank	84,891	70.72
Peoples Savings Bank 1/	17,266	14.38
Guaranty Bank & Trust Co.	9,685	8.02
First Trust & Savings Bank	4,755	3.96
United State Bank	3,504	2.92
Total 5 commercial banks	120,041	100.00

1/ Title changed Jan. 28, 1948 to Peoples Bank & Trust Company.

[1457]

BANKS IN - SIOUX CITY OR SIOUX CITY, IOWA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Security National Bank	34,185	27.25	25.63
Toy National Bank	29,472	23.49	22.09
First National Bank	25,695	20.48	19.23
Live Stock National Bank	25,164	20.06	18.86
Woodbury County Savings Bank	10,990	8.76	8.24
Total 5 largest banks	125,496	100.00	94.05
Total 3 all other banks	7,942		5.95
Total 8 commercial banks	133,398		100.00

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Toy National Bank	29,131	26.96	25.61
Security National Bank	25,550	23.68	22.49
Live Stock National Bank	23,383	21.64	20.55
First National Bank	20,831	19.28	18.31
Woodbury County Savings Bank	9,126	8.44	8.02
Total 5 largest banks	108,061	100.00	94.98
Total 3 all other banks	5,709		5.02
Total 8 commercial banks	113,770		100.00

[1458]

BANKS IN - HEIGHTS CITY OF KANSAS CITY, KANSAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Commercial National Bank 1/	50,038	34.82	24.15
Security National Bank	37,879	26.36	18.28
Riverview State Bank	24,281	16.89	11.72
Brotherhood State Bank	18,091	12.59	8.73
Home State Bank	13,431	9.34	6.49
Total 5 largest banks	143,720	100.00	69.37
Total 11 all other banks	63,468		30.63
Total 16 commercial banks	207,188		100.00

1/ Took over Kansas Trust Company Apr. 30, 1947 - assets $[illegible],000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Commercial National Bank	36,119	38.29	27.00
Security National Bank	23,169	24.56	17.32
Riverview State Bank	17,392	18.44	13.00
Brotherhood State Bank	10,801	11.45	8.08
Home State Bank	6,847	7.26	5.12
Total 5 largest banks	94,328	100.00	70.52
Total 11 all other banks	39,432		29.48
Total 16 commercial banks	133,760		100.00

[1459]

BANKS IN - RESERVE CITY OF TOPEKA, KANSAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Topeka	42,082	31.10	28.73
Merchants National Bank 1/	41,413	30.65	28.31
Central National Bank & Trust Co. 2/	36,785	27.23	25.15
Fidelity Savings State Bank	8,353	6.18	5.71
Kaw Valley Citizens State Bank 3/	6,539	4.84	4.47
Total 5 largest banks	135,112	100.00	92.37
Total 3 all other banks	11,165		7.63
Total 8 commercial banks	146,277		100.00

1/ Took over Guaranty Trust Company by consolidation Oct. 29, 1956 - assets $4,506,000.
2/ Took over Central Trust Company by consolidation June 30, 1950 - assets $2,140,000.
3/ Purchased Citizens State Bank June 11, 1953 - assets $2,121,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Topeka	26,193	29.90	25.70
Merchants National Bank	24,738	28.24	24.27
Central National Bank	24,599	28.08	24.14
Fidelity Savings State Bank	7,151	8.17	7.02
Topeka State Bank	4,916	5.61	4.82
Total 5 largest banks	87,597	100.00	85.95
Total 6 all other banks	14,317		14.05
Total 11 commercial banks	101,914		100.00

NOTE:- Excludes Columbia Title & Trust Company, engaged in trust and title business only.

[1460]

BANKS IN - RESERVE CITY OF WICHITA, KANSAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Fourth National Bank	178,399	50.45	47.50
First National Bank	113,397	32.06	30.26
Union National Bank	27,066	7.65	7.22
Kansas State Bank	20,774	5.87	5.55
Southwest National Bank	14,020	3.97	3.74
Total 5 largest banks	353,656	100.00	94.37
Total 4 all other banks 1/	21,118		5.63
Total 9 commercial banks	374,774		100.00

1/ Includes 1 national bank.

NOTE:- Excludes Morris Plan Company (non-deposit) with assets of $3,104,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Fourth National Bank	111,400	47.72	46.43
First National Bank	88,065	37.72	36.70
Union National Bank	14,383	6.16	5.99
Southwest National Bank	11,096	4.73	4.60
Kansas State Bank	8,577	3.67	3.58
Total 5 largest banks	233,461	100.00	97.30
Total 2 other banks 1/	6,481		2.70
Total 7 commercial banks	239,942		100.00

1/ Includes 1 national bank.

NOTE:- Excludes Morris Plan Company of Kansas (non-deposit) with assets of $1,342,000.

[1461]

BANKS IN LOUISVILLE RESERVE CITY OF LOUISVILLE, KENTUCKY

(Amounts in thousands of dollars)

JUNE 30, 1956

Bank	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Citizens Fidelity Bank & Trust Co.	226,513	34.52	30.70
First National Bank 1/	160,833	24.51	21.80
Liberty National Bank & Trust Co. 2/	118,457	18.05	16.05
Louisville Trust Co.	79,240	12.08	10.74
Lincoln Bank & Trust Co.	71,161	10.84	9.64
Total 5 largest banks	656,204	100.00	88.93
Total 5 all other banks	81,689		11.07
Total 10 commercial banks	737,893		100.00

1/ Purchased Security Bank Dec. 30, 1950 - assets $8,800,000.
2/ Took over United States Trust Co. by consolidation July 22, 1955 - assets $6,534,000.

JUNE 29, 1956

Bank	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Citizens Fidelity Bank & Trust Co.	184,177	37.53	34.61
First National Bank	112,336	22.89	21.10
Liberty National Bank & Trust Co.	85,840	17.49	16.13
Louisville Trust Co.	61,795	12.58	11.60
Lincoln Bank & Trust Co.	46,656	9.51	8.77
Total 5 largest banks	490,764	100.00	92.21
Total 7 all other banks	41,439		7.79
Total 12 commercial banks	532,203		100.00

NOTE:- Excludes Franklin Title & Trust Co. No banking.

[1462]

BANKS IN - RESERVE CITY OF NEW ORLEANS, LOUISIANA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
Whitney National Bank	429,092	39.93
National Bank of Commerce 1/	237,352	22.09
Hibernia National Bank	204,099	19.00
National American Bank	149,272	13.89
Progressive Bank & Trust Co.	54,710	5.09
Total 5 commercial banks	1,074,525	100.00

1/ Louisiana Bank & Trust Co. (formerly Louisiana Savings Bank & Trust Co.) with assets of 836,785,000 consolidated Oct. 3, 1955 with National Bank of Commerce.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Whitney National Bank	350,421	47.89	47.42
National Bank of Commerce	135,773	18.56	18.37
Hibernia National Bank	123,128	16.83	16.66
National American Bank	105,365	14.40	14.25
Louisiana Savings Bank & Trust Co.	16,968	2.32	2.29
Total 5 largest banks	731,655	100.00	99.00
Total 1 other bank	7,375		1.00
Total 6 commercial banks	739,030		100.00

[1463]

BANKS IN - RESERVE CITY OF BALTIMORE, MARYLAND

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	287,628	26.74	23.14
Fidelity-Baltimore Natl. Bank & Tr.Co. 1/	266,140	24.75	21.41
Union Trust Co. of Maryland	232,792	21.65	18.73
Equitable Trust Co.	170,722	15.87	13.74
Mercantile Safe Deposit & Trust Co. 2/	118,255	10.99	9.51
Total 5 largest banks	1,075,537	100.00	86.53
Total 5 all other banks 3/	167,377		13.47
Total 10 commercial banks	1,242,914		100.00
Total 7 mutual savings banks	552,036		

1/ Fidelity Trust Co. took over Calvert Bank Feb. 4, 1952 - assets $29,773,000; Fidelity Trust Co., assets $183,947,000, consolidated July 16, 1954 with Baltimore National Bank under title "Fidelity-Baltimore National Bank & Trust Co."; and purchased National Marine Bank Nov. 30, 1954 - assets $18,135,000.
2/ Formerly Safe Deposit Trust Co. Took over Mercantile Trust Co. Oct. 29, 1953 - assets $71,615,000.
3/ Includes 3 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	305,529	36.48	27.03
Union Trust Co.	192,054	22.93	16.99
Equitable Trust Co.	131,004	15.65	11.60
Baltimore National Bank	110,412	13.19	9.77
Maryland Trust Co.	98,389	11.75	8.70
Total 5 largest banks	837,448	100.00	74.09
Total 10 all other banks 1/	292,908		25.91
Total 15 commercial banks	1,130,356		100.00
Total 5 mutual savings banks	409,908		

1/ Includes 4 national banks. Also includes 1 bank, Title Guarantee & Trust Co., which changed its title Feb.23, 1945 to The Title Guaranty Co. and surrendered its right to do a banking business.

[1464]

BANKS IN - BOSTON CITY OF BOSTON, MASSACHUSETTS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank of Boston	1,585,256	59.90	54.03
The National Shawmut Bank 1/	420,460	15.88	14.32
Second Bank-State Street Trust Co. 2/	371,316	14.02	12.65
Merchants National Bank	160,642	6.06	5.47
Rockland-Atlas National Bank 3/	109,665	4.14	3.73
Total 5 largest banks	2,648,369	100.00	90.20
Total 7 all other banks 4/	287,837		9.80
Total 12 commercial banks	2,936,206		100.00
Total 21 mutual savings banks	1,513,525		

1/ Purchased Stabile Bank & Trust Co. June 10, 1949 - assets $5,318,000.
2/ Formerly State Street Trust Co. Purchased Second National Bank Feb. 18, 1955 - assets $170,696,000.
3/ Webster and Atlas National Bank, assets $33,255,000, consolidated Oct. 15, 1948 with The National Rockland Bank and under title Rockland-Atlas National Bank.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank of Boston	1,409,573	60.26	51.81
The National Shawmut Bank	428,833	18.33	15.77
State Street Trust Company	181,780	7.77	6.68
Second National Bank	163,469	6.99	6.01
Merchants National Bank	155,527	6.65	5.72
Total 5 largest banks	2,338,982	100.00	85.99
Total 10 all other banks 1/	380,988		14.01
Total 15 commercial banks	2,719,970		100.00
Total 21 mutual savings banks	937,702		

1/ Includes 2 national banks.

BANKS IN - RESERVE CITY OF DETROIT, MICHIGAN

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Detroit	1,910,114	47.82	46.23
The Detroit Bank	796,340	19.93	19.32
Manufacturers National Bank 1/	773,931	19.38	18.69
Bank of the Commonwealth	333,427	8.35	8.07
Detroit Wabeek Bank & Trust Co. 2/	180,587	4.52	4.37
Total 5 largest banks	3,994,399	100.00	96.68
Total 2 all other banks 3/	137,001		3.32
Total 7 commercial banks	4,131,400		100.00

1/ Purchased United Savings Bank July 1, 1952 - assets $53,395,000. Also, took over Industrial National Bank by consolidation Nov. 15, 1955 - assets $173,760,000.
2/ Equitable Trust Co., assets $3,422,000, consolidated Nov. 30, 1948 with Bankers Trust Co. under title Bankers-Equitable Trust Co., which on Oct. 26, 1951 with assets of $8,303,000 was taken over by Detroit Trust Co. The last named bank, with assets of $35,353,000, was taken over Aug. 1, 1953 by the Wabeek State Bank under the title of Detroit Wabeek Bank & Trust Co.
3/ Excludes Merchants Bank (non-deposit industrial bank) with assets June 30, 1946 of $643,000 and June 30, 1956 of $1,953,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Detroit	1,259,357	50.57	47.46
The Detroit Bank	517,643	20.80	19.51
Manufacturers National Bank	404,017	16.22	15.22
Commonwealth Bank 1/	227,787	9.15	8.58
Industrial National Bank	81,155	3.26	3.06
Total 5 largest banks	2,490,159	100.00	93.83
Total 6 all other banks	163,630		6.17
Total 11 commercial banks	2,653,789		100.00

1/ Title changed Feb. 2, 1953 to Bank of the Commonwealth.

[1466]

BANKS IN - RESERVE CITY OF MINNEAPOLIS, MINNESOTA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Northwestern National Bank	438,640	43.56	38.31
First National Bank	421,311	41.84	36.80
Midland National Bank	71,314	7.08	6.23
Marquette National Bank	58,455	5.80	5.10
Fidelity State Bank	17,349	1.72	1.51
Total 5 largest banks	1,007,069	100.00	87.95
Total 13 all other banks 1/	137,933		12.05
Total 18 commercial banks	1,145,002		100.00
Total 1 mutual savings bank	257,008		

1/ Includes 8 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Northwestern National Bank	394,475	44.70	40.56
First National Bank	378,374	42.88	38.90
Midland National Bank	67,293	7.63	6.92
Marquette National Bank	30,572	3.46	3.14
Fourth Northwestern National Bank	11,762	1.33	1.21
Total 5 largest banks	882,476	100.00	90.73
Total 12 all other banks 1/	90,160		9.27
Total 17 commercial banks	972,636		100.00
Total 1 mutual savings bank	144,859		

1/ Includes 7 national banks.

[1467]

BANKS IN - RICHEY; CITY OF ST. PAUL, MINNESOTA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks[1]			
First National Bank	357,356	66.29	55.65
American National Bank	95,852	17.78	14.93
Empire National Bank	41,494	7.69	6.46
Midway National Bank	28,693	5.32	4.47
Commercial State Bank	15,748	2.92	2.45
Total 5 largest banks	539,075	100.00	83.95
Total 15 all other banks	103,077		16.05
Total 20 commercial banks	642,152		100.00

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks[1]			
First National Bank	309,485	66.27	59.59
American National Bank	95,753	20.50	18.44
Empire National Bank & Trust Company	28,565	6.11	5.50
Midway National Bank	20,228	4.33	3.90
Commercial State Bank	13,007	2.79	2.50
Total 5 largest banks	467,021	100.00	89.93
Total 13 all other banks	52,301		10.07
Total 18 commercial banks	519,322		100.00

[1468]

BANKS IN - KANSAS CITY, KANSAS CITY, MISSOURI

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Commerce Trust Co. 1/	485,394	44.15	34.73
First National Bank 2/	302,079	27.48	21.61
City National Bank & Trust Co.	210,312	19.13	15.04
Union National Bank	63,466	5.78	4.53
Mercantile Bank & Trust Co.	37,996	3.46	2.71
Total 5 largest banks	1,099,209	100.00	78.80
Total 25 all other banks 3/.	295,798		21.20
Total 30 commercial banks	1,395,007		100.00

1/ Purchased Stock Yards National Bank Oct. 1, 1951 - assets $9,868,000.
2/ Took over Inter-State National Bank by merger April 29, 1955 - assets $65,784,000.
3/ Includes 4 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Commerce Trust Co.	425,952	46.08	37.29
First National Bank	239,519	25.91	20.97
City National Bank & Trust Co.	124,381	13.45	10.89
Inter-State National Bank	74,408	8.05	6.51
Union National Bank	60,199	6.51	5.27
Total 5 largest banks	924,419	100.00	80.93
Total 20 all other banks 1/	217,893		19.07
Total 25 commercial banks	1,142,312		100.00

1/ Includes 4 national banks.

[1469]

BANKS IN - RESERVE CITY OF ST. LOUIS, MISSOURI
(INDEPENDENT CITY)

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Mercantile Trust Co. 1/	636,472	37.96	27.[illegible]
First National Bank 2/	603,682	36.01	26.[illegible]
Boatmens National Bank	221,173	13.19	9.[illegible]
The Bank of St. Louis 3/	131,899	7.87	5.[illegible]
Sour Grove Bank & Trust Co.	83,299	4.97	3.[illegible]
Total 5 largest banks	1,676,485	100.00	73.[illegible]
Total 23 all other banks 4/	613,567		26.[illegible]
Total 28 commercial banks	2,290,052		100.00

1/ Purchased Mississippi Valley Trust Co. (formerly Mercantile Commerce Bank & Trust Co.,) Sept. 4, 1951 - assets $250,582,000.
2/ Took over United Bank & Trust Co. by consolidation Dec. 30, 1955 - assets $[illegible],533,000.
3/ Formerly Industrial Bank; title changed Jan. 20, 1950.
4/ Includes 4 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	482,777	36.86	26.69
Mercantile-Commerce Bank & Trust Co.	378,346	28.89	20.91
Mississippi Valley Trust Co.	232,354	17.74	12.[illegible]
Boatmens National Bank	143,627	10.96	7.[illegible]
Industrial Bank	72,725	5.55	4.02
Total 5 largest banks	1,309,829	100.00	72.[illegible]
Total 24 all other banks 1/	499,435		27.60
Total 29 commercial banks	1,809,264		100.00

1/ Includes 5 national banks, one of which with assets of $18,936,000 converted to a State bank Sept. 1, 1952.

[1470]

BANKS IN - RESERVE CITY OF HELENA, MONTANA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
First National Bank & Trust Co.	34,369	55.85
Union Bank & Trust Co.	27,166	44.15
Total 2 commercial banks	61,535	100.00

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
First National Bank & Trust Co.	28,146	54.04
Union Bank and Trust Co.	23,941	45.96
Total 2 commercial banks	52,087	100.00

[1471]

BANKS IN - REMOVE CITY OF OMAHA, NEBRASKA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Omaha National Bank 1/	250,049	51.03	47.93
First National Bank	101,375	20.69	19.43
United States National Bank	99,781	20.36	19.12
Stock Yards National Bank of South Omaha	24,176	4.95	4.65
Packers National Bank	14,549	2.97	2.79
Total 5 largest banks	490,080	100.00	93.92
Total 5 all other banks	31,716		6.08
Total 10 commercial banks	521,736		100.00

1/ Purchased Live Stock National Bank Aug. 20, 1956 with assets of $75,082,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Omaha National Bank	164,728	38.60	36.44
First National Bank	90,492	21.20	20.02
United States National Bank	78,935	18.50	17.46
Live Stock National Bank	68,879	16.14	15.24
Stock Yards National Bank of South Omaha	23,708	5.56	5.24
Total 5 largest banks	426,742	100.00	94.40
Total 4 all other banks 1/	25,308		5.60
Total 9 commercial banks	452,050		100.00

1/ Includes 1 national bank.

[1472]

BANKS 1/ - CENTRAL RESERVE CITY OF NEW YORK CITY, N. Y.

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Chase Manhattan Bank 1/	7,092,930	31.88	20.99
First National City Bank 2/	6,371,537	28.64	18.86
Chemical Corn Exchange Bank 3/	3,032,477	13.63	8.97
Manufacturers Trust Company 4/	2,909,961	13.08	8.61
Guaranty Trust Company	2,842,072	12.77	8.41
Total 5 largest banks	22,248,977	100.00	65.84
Total 52 all other banks 5/ 6/	11,544,074		34.16
Total 57 commercial banks	33,793,051		100.00
Total 53 mutual savings banks 7/	15,216,070		

1/ Bronx County Trust Company with assets of $75,767,000 merged Mar. 21, 1955 with Manhattan Bank; Chase National Bank with assets of $5,731,385,000 merged Mar. 31, 1955 with Manhattan Bank under title Chase Manhattan Bank.
2/ First National Bank of the City of New York with assets of $715,376,000 merged Mar. 30, 1955 with National City Bank of New York under title First National City Bank.
3/ One national bank and 2 State banks in New York City with assets aggregating $1,181,532,000 merged with this bank.
4/ Two national banks and 2 State banks in Greater New York with assets aggregating $319,431,000 were purchased by and merged into this bank.
5/ Includes 7 banks which took over 5 national banks and 9 State banks with assets aggregating $1,172,304,000.
6/ Includes 11 national banks.
7/ Two mutual savings banks with assets aggregating $155,080,000 were merged with other mutual savings banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Chase National Bank	5,266,831	29.55	16.48
National City Bank	4,672,348	26.22	14.62
Guaranty Trust Company	3,485,673	19.58	10.92
Manufacturers Trust Company	2,489,525	13.97	7.79
Central Hanover Bank and Trust Company	1,902,366	10.68	5.96
Total 5 largest banks	17,820,743	100.00	55.77
Total 74 all other banks 1/	14,132,440		44.23
Total 79 commercial banks	31,953,183		100.00
Total 55 mutual savings banks	7,738,936		

1/ Includes 20 national banks.

NOTE:- Excludes 1 private bank, Laidlaw & Company, for which no figures are shown in the bankers directory.

[1473]

CASE II - BRANCH CITY OF BUFFALO, NEW YORK

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
Marine Trust Co. of Western N. Y.	676,490	52.72
Manufacturers & Traders Trust Co. 1/	424,381	33.07
Liberty Bank of Buffalo	154,414	12.04
Buffalo Industrial Bank	19,950	1.56
Liberty National Bank	7,877	.61
Total 5 commercial banks	1,283,112	100.00
Total 3 mutual savings banks	860,668	

1/ Took over First National Bank, Buffalo, Aug. 5, 1955 - assets $41,144,000, and a State bank in Buffalo on Mar. 8, 1956 --assets $5,249,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Marine Trust Company of Buffalo	362,936	46.58	45.90
Manufacturers & Traders Trust Co.	253,297	32.64	32.16
Liberty Bank of Buffalo	137,808	17.75	17.49
Niagara National Bank 1/	15,131	1.95	1.92
Buffalo Industrial Bank	8,350	1.08	1.06
Total 5 largest banks	776,122	100.00	98.53
Total 2 all other banks	11,596		1.47
Total 7 commercial banks	787,718		100.00
Total 3 mutual savings banks	389,004		

1/ Title changed June 29, 1950 to First National Bank of Buffalo.

[1474]

BANKS IN - RESERVE CITY OF CHARLOTTE, NORTH CAROLINA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Wachovia Bank & Trust Company	446,552	57.77	56.21
American Trust Company	190,105	24.59	23.93
Union National Bank	63,826	8.26	8.04
Commercial National Bank	60,466	7.82	7.61
The Bank of Charlotte	12,033	1.56	1.51
Total 5 largest banks	772,984	100.00	97.30
Total 3 all other banks	21,461		2.70
Total 8 commercial banks	794,445		100.00

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Wachovia Bank & Trust Company	275,193	53.65	53.01
American Trust Company	159,722	31.14	30.76
Commercial National Bank	39,831	7.76	7.67
Union National Bank	33,937	6.61	6.54
The Bank of Charlotte	4,297	.84	.83
Total 5 largest banks	512,980	100.00	98.81
Total 3 all other banks	6,161		1.19
Total 8 commercial banks	519,141		100.00

[1475]

BANK IN - RESERVE CITY OF CINCINNATI, OHIO

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank 1/	415,876	34.63	33.77
Fifth Third Union Trust Co. 2/	355,094	29.57	28.83
Central Trust Co.	270,040	22.48	21.92
Provident Savings & Trust Co. 3/	136,903	11.37	11.08
Southern Ohio National Bank 4/	23,837	1.95	1.90
Total 5 largest banks	1,200,950	100.00	97.50
Total 2 all other banks	30,825		2.50
Total 7 commercial banks	1,231,775		100.00

1/ On July 3, 1951 purchased Second National Bank with assets of $65,438,000. On Dec. 30, 1955 purchased Atlas National Bank with assets of $90,683,000, which bank on June 23, 1950 had purchased the Peoples Bank & Savings Co. with assets of $12,973,000 and on May 9, 1952 had purchased the Columbia Bank & Savings Co. with assets of $5,979,000.

2/ On March 3, 1952 purchased The Cincinnati Bank & Trust Co. with assets of $7,882,000; Aug. 3, 1953 purchased the Western Bank & Trust Co. with assets of $27,869,000; and took over Lincoln National Bank, assets $42,872,000, by merger or consolidation on May 13, 1955.

3/ Purchased the Guardian Bank & Savings Co. on May 28, 1949 - assets $5,995,000.

4/ Formerly Southern Ohio Savings Bank & Trust Co.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Fifth Third Union Trust Co.	256,161	30.02	25.54
First National Bank	217,378	25.47	21.67
Central Trust Co.	203,133	23.80	20.25
Provident Savings Bank & Trust Co.	116,326	13.63	11.60
Second National Bank	60,443	7.08	6.03
Total 5 largest banks	853,441	100.00	85.09
Total 10 all other banks 1/	149,591		14.91
Total 15 commercial banks	1,003,032		100.00

1/ Includes 2 national banks.

[1476]

BANKS IN - REGION OUT OF CLEVELAND, OHIO

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Cleveland Trust Co. 1/	1,433,273	47.99	46.31
The National City Bank 2/	705,682	23.63	23.10
Central National Bank	539,035	17.98	17.53
Union Bank of Commerce Co. 3/	205,589	6.71	6.71
Society National Bank	46,233	1.99	1.51
Total 5 largest banks	2,986,378	100.00	97.76
Total 4 all other banks	69,209		2.26
Total 9 commercial banks	3,055,587		100.00
Total 1 mutual savings bank 4/	380,549		

1/ Purchased the Lorain Street Bank on Sept. 21, 1946 - assets $20,519,000.
2/ Purchased Equity Savings Assn. on Aug. 14, 1953 - assets $18,807,000.
3/ On May 16, 1958 took over by merger The American Savings Bank with assets of $21,599,000. and on Sept. 19, 1955 the Commercial & Savings Bank of Akron which had assets of $13,371,000.
4/ On April 30, 1956 purchased The Bank of Ohio Company (formerly the Morris Plan Bank) with assets of $30,360,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Cleveland Trust Co.	1,087,360	52.42	50.85
The National City Bank	472,575	22.78	22.10
Central National Bank	372,510	17.96	17.42
Union Bank of Commerce Co.	114,851	5.54	5.37
Morris Plan Bank	26,878	1.30	1.26
Total 5 largest banks	2,074,174	100.00	97.00
Total 6 all other banks	64,258		3.00
Total 11 commercial banks	2,138,432		100.00
Total 1 mutual savings bank	208,288		

[1477]

BANKS IN - READING, CITY OF COLUMBUS, OHIO

(amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Ohio National Bank 1/	407,857	54.96	53.46
Huntington National Bank	163,087	21.98	21.38
City National Bank & Trust Company	124,768	16.82	16.35
Market Exchange Bank Company	31,676	4.27	4.15
Northern Savings Bank	14,643	1.97	1.92
Total 5 largest banks	742,031	100.00	97.26
Total 2 all other banks	20,877		2.74
Total 7 commercial banks	762,908		100.00

1/ Purchased Fifth Avenue Savings Bank Company with assets of $8,579,000 and State Industrial Bank with assets of $1,875,000, on June 8, 1948.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Ohio National Bank	199,689	44.73	42.63
Huntington National Bank	134,996	30.24	28.82
City National Bank & Trust Company	86,125	19.29	18.39
Market Exchange Bank Company	17,438	3.90	3.73
Fifth Avenue Savings Bank Company	8,206	1.84	1.75
Total 5 largest banks	446,454	100.00	95.32
Total 4 all other banks	21,942		4.68
Total 9 commercial banks	468,396		100.00

[1478]

BANKS IN - REGULAR CITY OF TOLEDO, OHIO

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Toledo Trust Co.	323,842	60.57	59.12
The National Bank of Toledo 1/	91,741	17.16	16.75
Ohio Citizens Trust Co.	84,390	15.79	15.41
Lucas County Bank	21,392	4.00	3.91
State Bank of Toledo	13,265	2.48	2.42
Total 5 largest banks	534,630	100.00	97.61
Total 1 other bank	13,117		2.39
Total 6 commercial banks	547,747		100.00

1/ Formerly Commerce National Bank which was a conversion of The Commerce Guardian Bank, June 2, 1947.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Toledo Trust Company	269,044	69.36	68.91
The Commerce Guardian Bank	56,088	14.46	14.37
Ohio Citizens Trust Co.	44,526	11.48	11.40
Spitzer-Rorick Trust & Savings Bank	10,105	2.60	2.59
Lucas County Bank	8,150	2.10	2.09
Total 5 largest banks	387,913	100.00	99.36
Total 1 other bank	2,502		.64
Total 6 commercial banks	390,415		100.00

[1479]

BANKS IN - KNOWN CITY OF OKLAHOMA CITY, OKLAHOMA

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank & Trust Co. 1/	279,343	54.78	48.31
Liberty National Bank & Trust Co.	144,741	28.38	25.03
City National Bank & Trust Co.	37,488	7.34	6.48
Fidelity National Bank & Trust Co.	27,069	5.31	4.68
Citizens State Bank	21,340	4.19	3.69
Total 5 largest banks	509,941	100.00	88.19
Total 8 all other banks 2/	68,272		11.81
Total 13 commercial banks	578,213		100.00

1/ Purchased The Tradesmens National Bank Aug. 17, 1949 - assets $25,137,000.
2/ Includes 3 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank & Trust Co.	197,497	54.25	50.22
Liberty National Bank	84,518	23.22	21.48
Tradesmens National Bank	30,320	8.33	7.71
City National Bank & Trust Co.	26,104	7.17	6.63
Fidelity National Bank	25,486	7.00	6.48
Total 5 largest banks	364,025	100.00	92.52
Total 5 all other banks 1/	29,434		7.48
Total 10 commercial banks	393,459		100.00

1/ Includes 2 national banks.

[1480]

BANKS IN - RESERVE CITY OF TULSA, OKLAHOMA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank & Trust Co.	276,885	45.85	42.17
The National Bank of Tulsa	248,854	41.21	37.59
Fourth National Bank	40,043	6.63	6.11
Farmers & Merchants State Bank	19,943	3.30	3.05
The National Bank of Commerce	18,204	3.01	2.78
Total 5 largest banks	603,939	100.00	92.20
Total 6 all other banks 1/	51,102		7.80
Total 11 commercial banks	655,041		100.00

1/ Includes 1 national bank.

NOTE:- Excludes Oklahoma Morris Plan Bank (non-deposit) with assets of $2,276,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Tulsa	164,266	47.93	46.61
First National Bank & Trust Co.	139,855	40.81	39.68
Fourth National Bank	19,649	5.73	5.58
The National Bank of Commerce	12,352	3.61	3.51
Peoples State Bank	6,563	1.92	1.86
Total 5 largest banks	342,685	100.00	97.24
Total 3 all other banks	9,733		2.76
Total 8 commercial banks	352,418		100.00

NOTE:- Excludes Oklahoma Morris Plan Bank (non-deposit) with assets of $226,000.

[1481]

BANKS IN - RESERVE CITY OF PORTLAND, OREGON

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank 1/	855,331	47.93	47.63
United States National Bank	806,282	45.20	45.10
Bank of California, N. A. (Branch) 2/	88,231	4.94	4.93
Portland Trust Company	25,977	1.46	1.45
Multnomah Bank	6,552	.37	.37
Total 5 largest banks	1,784,373	100.00	99.78
Total 1 other bank	3,869		.22
Total 6 commercial banks	1,788,242		100.00
Total 1 mutual savings bank	31,569		

1/ Purchased First Moreland-Sellwood Bank (Formerly Moreland-Sellwood Bank) Feb. 6, 1954 - assets $8,492,000.

2/ Treated as a unit bank for comparative purposes since the head office is in another reserve city.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
United States National Bank	571,068	48.33	48.24
First National Bank	531,039	44.96	44.86
Bank of California, N. A. (Branch)	57,842	4.89	4.89
Portland Trust & Savings Bank	17,350	1.47	1.47
Moreland-Sellwood Bank	4,323	.37	.36
Total 5 largest banks	1,181,628	100.00	99.82
Total 1 other bank	2,133		.18
Total 6 commercial banks	1,183,761		100.00
Total 1 mutual savings bank	10,676		

BANKS IN - RESERVE CITY OF PHILADELPHIA, PENNSYLVANIA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First Pa. Banking & Trust Co. 1/	1,004,136	31.67	25.73
Philadelphia National Bank 2/	982,612	29.84	23.19
Girard Tr. Corn Exchange Bank 3/	672,970	20.03	15.55
Fidelity-Phila. Trust Co. 4/	346,617	10.37	8.25
Tradesmen's Bank & Trust Co. 5/	292,112	8.69	6.57
Total 5 largest banks	3,360,447	100.00	79.64
Total 14 all other banks 6/	857,921		20.34
Total 19 commercial banks	4,218,368		100.00
Total 4 mutual savings banks	1,554,208		

SEE PAGE 2 FOR FOOTNOTES

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Philadelphia National Bank	769,139	37.62	22.21
The Pennsylvania Co.	533,702	26.11	15.41
Corn Exchange N. B. & Tr. Co.	298,679	14.61	8.62
Girard Trust Co.	230,154	11.26	6.65
Fidelity-Phila. Trust Co.	208,911	10.40	6.03
Total 5 largest bank	2,040,632	100.00	58.92
Total 38 all other banks 1/	1,422,533		41.08
Total 43 commercial banks	3,463,165		100.00
Total 4 mutual savings banks	966,419		

1/ Includes 15 national banks and 2 private banks.

RESERVE CITY OF PHILADELPHIA, PENNSYLVANIA

FOOTNOTES - June 30, 1956

1/ Formerly Pennsylvania Company for Banking and Trusts; also The Pennsylvania Company for Insurances on Lives and Granting Annuities. Took over the following banks:

Nov. 23, 1946	Erie National Bank, by purchase	Assets -	$20,974,000
Mar. 15, 1947	Kensington National Bank, by purchase	"	75,544,000
Mar. 29, 1947	Germantown Trust Company, by merger	"	49,435,000
Jan. 21, 1949	Security Bank & Trust Co., by purchase	"	15,421,000
Nov. 9, 1951	Northeast National Bank, by merger	"	20,105,000
Sept. 30, 1955	First National Bank, by merger	"	216,895,000

2/ Took over Ninth Bank and Trust Co., by consolidation, Sept. 21, 1951 - assets $34,472,000.

3/ Formerly Girard Trust Company. Took over the following banks:

June 15, 1951	Corn Exchange Natl. Bank, by merger	Assets -	$299,199,000
Sept. 11, 1953	Natl. Bank of Germantown & Tr. Co., by merger	"	39,533,000
Jan. 25, 1954	North Philadelphia Trust Co., by merger	"	22,162,000

4/ Took over National Bank of Olney, by merger, June 20, 1952 - Assets $10,349,000.

5/ Formerly Tradesmens Land Title Bank and Trust Co.; also Land Title Bank and Trust Co. Took over the Tradesmens National Bank and Trust Co. by merger, June 19, 1953 - assets $139,801,000, and the Market Street National Bank, by merger, Dec. 3, 1955 - assets $60,166,000.

6/ Includes 2 national banks and 1 private bank. Excludes 1 non-deposit bank. Banks in this group took over 5 national banks with assets aggregating $97,085,000, 5 State banks with assets of $119,404,000, and 1 private bank with assets of $2,304,000 during the ten year period.

[1484]

BANKS IN - MUNICIPAL CITY OF PITTSBURGH, PENNSYLVANIA

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Mellon Natl. Bank & Trust Co. 1/	1,983,118	61.47	61.01
Peoples First N. B. & Trust Co. 2/	675,685	20.95	18.69
Fidelity Trust Co. of Pittsburgh 2/	248,518	7.71	7.71
Union National Bank	109,097	3.38	3.39
Commonwealth Trust Co. of Pittsburgh 2/	108,681	3.40	3.35
Total 5 largest banks	3,026,039	100.00	93.19
Total 24 all other banks 2/	220,297		6.81
Total 29 commercial banks	3,236,336		100.00
Total 1 mutual savings bank	140,606		

SEE PAGE 2 FOR FOOTNOTES

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
* Union Trust Co.	596,949	37.41	29.95
* Mellon National Bank	573,902	35.96	28.82
Farmers Deposit Natl. Bank	193,246	12.11	9.70
First National Bank 1/	153,947	9.65	7.73
Union National Bank	77,793	4.87	3.91
Total 5 largest banks	1,595,837	100.00	80.14
Total 29 all other banks 2/	395,595		19.86
Total 34 commercial banks	1,991,432		100.00
Total 1 mutual savings bank	81,866		

1/ Title changed July 1, 1946 to Peoples First National Bank & Trust Co.
2/ Includes 3 national banks.

* Controlled by the same shareholders - consolidated in September 1946

RESERVE CITY OF PITTSBURGH, PENNSYLVANIA

FOOTNOTES - June 30, 1952

1/ Formerly Mellon National Bank. Took over the following banks:

Sept. 23, 1946	Union Trust Company, by consolidation	Assets	$[illegible]
Aug. 26, 1947	Washingtonian Savings Bank & Trust Co., by purchase	"	15,631,000
Dec. 19, 1947	Hudson National Bank, by purchase	"	[illegible]
Dec. 1, 1950	Dauphin Deposit National Bank, by purchase	"	[illegible]
Apr. 6, 1951	Pennsylvania Exposit Bank, by purchase	"	6,387,000
June 22, 1951	Manufacturers Savings Bk. & Tr. Co., by purchase	"	9,834,000
June 30, 1952	Pallidelphia State Bank, by purchase	"	4,183,000

2/ Formerly First National Bank of Pittsburgh. Took over Peoples-Pittsburgh Trust Company by consolidation, July 1, 1946 - assets $[illegible].

3/ Purchased the Western Savings and Deposit Bank with assets of $7,348,000, Sept. 15, 1947, and the Colonial Trust Company with assets of $[illegible], Aug. 6, 1952. The latter bank had previously purchased the following banks:

Sept. 15, 1947	The Garrick Bank	Assets	$5,673,000
May 12, 1950	Keystone National Bank	"	18,892,000
Oct. 1, 1951	Bank of Ohio Valley	"	3,308,000

4/ Purchased the National Bank of America with assets of $5,956,000, April 25, 1949, and the South Hills Trust Company with assets of $3,251,000, Mar. 16, 1950.

5/ Includes the Potter Bank & Trust Company (formerly Potter Hills & Trust Company) which took over the Rostrevor Bank with assets of $3,682,000 on Oct. 10, 1955.

[1486]

BANKS IN - MEMPHIS, CITY OF MEMPHIS, TENNESSEE

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Union Planters National Bank	319,200	46.22	45.73
First National Bank	241,256	34.93	34.57
The National Bank of Commerce	103,721	15.01	14.86
Commercial & Industrial Bank	16,939	2.45	2.43
Memphis Bank & Trust Co.	9,674	1.40	1.38
Total 5 largest banks	690,822	100.00	98.97
Total 2 all other banks	7,187		1.03
Total 7 commercial banks	698,009		100.00

JUNE 29, 1956

	Total assets	Percent to total
Largest commercial banks:		
Union Planters National Bank & Trust Co	322,173	46.96
First National Bank	227,337	33.16
The National Bank of Commerce	82,897	17.40
Commercial & Industrial Bank	7,909	1.67
State Savings Bank	3,382	.71
Total 5 commercial banks	473,098	100.00

[1487]

BANKS IN RESERVE CITY OF NASHVILLE, TENNESSEE

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First American National Bank 1/	232,837	38.72	38.58
Third National Bank	191,061	31.78	31.69
Commerce Union Bank	120,847	21.43	21.35
Nashville Bank & Trust Company	28,896	4.80	4.78
Broadway National Bank	19,683	3.27	3.26
Total 5 largest banks	601,272	100.00	99.62
Total 1 other bank	2,323		.38
Total 6 commercial banks	603,595		100.00

1/ Formerly The American National Bank.

JUNE 29, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
American National Bank	192,499	47.36	47.18
Third National Bank	94,777	23.32	23.23
Commerce Union Bank	81,611	20.08	20.00
Nashville Trust Company 1/	21,136	5.20	5.18
Broadway National Bank	16,818	4.14	4.02
Total 5 largest banks	406,841	100.00	99.61
Total 1 other bank	1,600		.39
Total 6 commercial banks	408,041		100.00

1/ Title changed May 8, 1956 to Nashville Bank & Trust Company.

[1488]

[illegible] - [illegible] CITY OF DALLAS, TEXAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank 1/	776,382	39.39	35.69
Republic National Bank 2/	761,369	38.60	35.01
Mercantile National Bank	320,033	16.24	14.74
Texas Bank & Trust Co.	73,096	3.71	3.36
Oak Cliff Bank & Trust Co.	39,733	2.06	1.83
Total 5 largest banks	1,970,582	100.00	90.73
Total 18 all other banks 3/	200,756		9.25
Total 23 commercial banks	2,171,838		100.00

1/ Aug. 7, 1956 took over Dallas National Bank by consolidation - assets $68,109,000.
2/ Dec. 21, 1956 took over National City Bank by consolidation - assets $68,539,000. The latter bank was a conversion of the Liberty State Bank, Dec. 28, 1954.
3/ Includes 3 national banks, 2 of which began business after June 30, 1956; also includes 1 State bank which in 1956 was a conversion of a national bank having assets of $11,906,000. Excludes 1 State bank which became an investment company subsequent to 1951.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	327,904	35.15	31.63
Republic National Bank	280,520	30.07	27.06
Mercantile National Bank	193,173	20.70	18.63
Dallas National Bank	85,869	9.14	8.22
Liberty State Bank	44,899	4.94	4.34
Total 5 largest banks	932,995	100.00	89.99
Total 14 all other banks 1/	103,918		10.01
Total 19 commercial banks	1,036,813		100.00

1/ Includes 2 national banks.

[1480]

BANKS IN - RESERVE CITY OF EL PASO, TEXAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
State National Bank	111,699	47.10
El Paso National Bank	102,939	43.41
Southwest National Bank	14,815	6.25
First State Bank	7,695	3.24
Total 4 commercial banks	237,148	100.00

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
State National Bank	76,043	56.37
El Paso National Bank	58,852	43.63
Total 2 commercial banks	134,895	100.00

[1490]

BANK IX - RESERVE CITY OF FORT WORTH, TEXAS

(Amounts in thousands of dollars)

JUNE 30, 1936

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Fort Worth National Bank	276,166	42.33	37.39
First National Bank	261,539	40.09	35.41
Continental National Bank	86,718	13.29	11.74
West Side State Bank	15,314	2.19	1.94
The Bank of Commerce 1/	13,605	2.10	1.85
Total 5 largest banks	652,342	100.00	88.33
Total 10 all other banks 2/	86,228		11.67
Total 15 commercial banks	738,652		100.00

1/ Formerly Trinity State Bank; title changed Feb. 6, 1935.
2/ Includes 1 national bank; excludes Professional Bank & Trust Company, an unincorporated private bank for which no figures are available in 1936.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Fort Worth National Bank	178,633	44.43	43.62
First National Bank	162,462	39.66	39.67
Continental National Bank	65,160	15.91	15.91
Union Bank & Trust Company	7,357	1.83	1.80
North Fort Worth State Bank	5,377	1.37	1.31
Total 5 largest banks	401,997	100.00	98.16
Total 3 all other banks 1/	7,525		1.84
Total 8 commercial banks	409,522		100.00

1/ Includes 1 national bank.

[1491]

TABLE II - [illegible] CITY OF HOUSTON, TEXAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First City National Bank 1/	699,708	39.60	32.90
The National Bank of Commerce	388,880	23.34	18.39
The Bank of the Southwest N.A. 2/	360,565	20.45	16.98
Texas National Bank 3/	220,022	13.21	10.97
Houston National Bank	96,687	5.80	2.83
Total 5 largest banks	1,665,862	100.00	83.07
Total 27 all other banks 4/	339,445		16.93
Total 32 commercial banks	2,005,307		100.00

1/ Formerly the City National Bank which took over the First National Bank by consolidation on Nov. 30, 1956 - assets $879,143,000.
2/ Formerly Second National Bank.
3/ Formerly South Texas National Bank which took over the Union National Bank by consolidation May 29, 1953 - assets $82,312,000. Prior to Feb. 1, 1949 the title of the bank was South Texas Commercial National Bank.
4/ Included 5 national banks.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First National Bank	198,681	25.72	20.30
The National Bank of Commerce	173,847	22.50	17.76
Second National Bank	165,274	21.39	16.88
City National Bank	124,563	16.12	12.73
South Texas Commercial National Bank	110,271	14.27	11.27
Total 5 largest banks	772,636	100.00	78.94
Total 11 all other banks 1/	206,176		21.06
Total 16 commercial banks	978,812		100.00

1/ Includes 3 national banks.

[1492]

BANKS IN - RESIDENT CITY OF SAN ANTONIO, TEXAS

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
The National Bank of Commerce	161,311	33.84	27.72
Frost National Bank	158,191	33.18	27.18
Alamo National Bank	97,825	20.13	16.67
Groos National Bank	34,519	7.24	5.93
Bexar County National Bank	31,891	6.61	5.41
Total 5 largest banks	476,737	100.00	81.91
Total 11 all other banks 1/	105,266		18.09
Total 16 commercial banks	582,003		100.00

1/ Includes 3 national banks.

NOTE:- Excludes San Antonio Loan & Trust Company (without banking or discount privileges)- assets $16,068,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Frost National Bank	131,542	36.68	32.84
The National Bank of Commerce	100,249	27.95	25.03
Alamo National Bank	81,316	22.68	20.30
Groos National Bank	24,969	6.96	6.23
Bexar County National Bank	20,561	5.73	5.13
Total 5 largest banks	358,637	100.00	89.53
Total 6 all other banks 1/	41,936		10.47
Total 11 commercial banks	400,573		100.00

1/ Includes 3 national banks.

NOTE:- Excludes San Antonio Loan and Trust Company (without banking privileges) assets - $10,667,000.

[1493]

BANKS IN - RESERVE CITY OF OGDEN, UTAH *

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to total
Largest commercial banks:		
First Security Bank of Utah, N. A.	93,896	67.54
Commercial Security Bank	34,807	25.04
Bank of Utah	10,315	7.42
Total 3 commercial banks	139,018	100.00

* Terminated as a reserve city March 1, 1948. However, for reserve purposes First Security Bank of Utah, N.A. was classified April 30, 1948 as a reserve city bank since it has a branch located in the reserve city of Salt Lake City.

JUNE 29, 1946

	Total assets	Percent to total
Largest commercial banks:		
First Security Bank of Utah, N. A.	74,186	74.75
Commercial Security Bank	25,062	25.25
Total 2 commercial banks	99,248	100.00

[1494]

BANKS IN – RESERVE CITY OF SALT LAKE CITY, UTAH

(Amounts in thousands of dollars)

JUNE 30, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Walker Bank & Trust Company	138,084	26.42	24.47
First Security Bank of Utah, N. A.(Branch) 1/	129,205	24.64	22.78
First National Bank 2/	119,737	22.83	21.16
Continental Bank & Trust Company 3/	71,896	13.79	12.72
Zions Savings Bank & Trust Company	64,275	12.32	11.27
Total 5 largest banks	496,197	100.00	92.40
Total 3 all other banks	39,396		7.36
Total 8 commercial banks	535,593		100.00

1/ Treated as a unit; bank for comparative purposes since the head office is in another reserve city.
2/ Formerly Utah State National Bank
3/ Conversion of Continental National Bank & Trust Co. into State bank Feb. 1, 1952 – assets $55,771,000.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Walker Bank & Trust Company	79,072	28.20	24.55
Utah State National Bank	76,078	27.13	23.62
First National Bank 1/	59,308	21.15	18.41
Continental National Bank & Trust Co.	33,553	11.96	10.42
Zions Savings Bank & Trust Co.	32,418	11.56	10.06
Total 5 largest banks	280,429	100.00	87.06
Total 4 all other banks	41,698		12.94
Total 9 commercial banks	322,127		100.00

1/ Consolidated with First Security Bank of Utah, National Association, Ogden, Utah Apr. 30, 1948 – assets $57,455,000.

[1495]

BANKS IN - RESERVE CITY OF RICHMOND, VIRGINIA

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First & Merchants National Bank	282,522	31.95	29.60
State-Planters Bank of Commerce & Trusts 1/	209,262	23.67	21.93
The Bank of Virginia	168,729	19.08	17.68
Central National Bank	98,065	11.10	10.27
Southern Bank & Trust Co.	33,890	3.83	3.55
Total 5 largest banks	882,468	100.00	92.43
Total 5 all other banks	72,871		7.36
Total 10 commercial banks	954,339		100.00

1/ Bank of Commerce and Trusts with assets of $36,980,000 merged Jan. 3, 1956 with State-Planters Bank and Trust Co. under title of State-Planters Bank of Commerce and Trusts.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First & Merchants National Bank	182,753	39.96	35.44
State-Planters Bank and Trust Co.	128,690	27.33	24.24
Central National Bank	65,184	14.29	12.67
The Bank of Virginia	54,914	12.03	10.67
The Bank of Commerce & Trusts	29,176	6.39	5.67
Total 5 largest banks	456,317	100.00	88.69
Total 6 all other banks	58,180		11.31
Total 11 commercial banks	514,497		100.00

[1496]

[illegible] IV - RESERVE CITY OF SEATTLE, WASHINGTON

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Seattle-First National Bank	833,311	49.30	49.14
The National Bank of Commerce 1/	483,940	28.63	28.54
Peoples National Bank 2/	181,512	10.74	10.70
Pacific National Bank 3/	141,772	8.39	8.36
Seattle Trust & Savings Bank	49,712	2.94	2.93
Total 5 largest banks	1,690,247	100.00	99.67
Total 1 other bank 4/	5,664		.33
Total 6 commercial banks	1,695,911		100.00
Total 3 mutual savings banks	301,954		

1/ Purchased the West Seattle National Bank on Jan. 30, 1956 - assets $4,557,000.
2/ Purchased the Magnolia State Bank Nov. 30, 1954 - assets $2,049,000.
3/ Took over University National Bank by consolidation Feb. 28, 1955 - assets $30,225,000.
4/ National bank.

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
Seattle-First National Bank	656,927	48.95	47.88
The National Bank of Commerce	397,420	29.62	28.97
Peoples National Bank	148,952	11.10	10.86
Pacific National Bank	101,143	7.54	7.37
Seattle Trust & Savings Bank	37,462	2.79	2.73
Total 5 largest banks	1,341,924	100.00	97.81
Total 2 all other banks 1/	30,093		2.19
Total 7 commercial banks	1,372,017		100.00
Total 1 mutual savings bank	166,137		

1/ National banks.

[1497]

BANKS IN - MILWAUKEE, WISCONSIN

(Amounts in thousands of dollars)

JUNE 30, 1956

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First Wisconsin National Bank	623,825	57.99	46.19
Marshall & Ilsley Bank	235,999	21.96	17.50
Marine Natl. Exchange Bank	146,493	13.62	11.31
Northern Bank	44,268	4.11	3.42
American State Bank	30,672	2.82	2.68
Total 5 largest banks	1,075,820	100.00	83.10
Total 14 all other banks	218,770		16.90
Total 19 commercial banks	1,294,590		100.00
Total 2 mutual savings banks	6,171		

JUNE 29, 1946

	Total assets	Percent to 5 largest banks	Percent to total commercial banks
Largest commercial banks:			
First Wisconsin National Bank	619,903	64.7%	56.00
Marshall & Ilsley Bank	144,538	15.10	13.06
Marine Natl. Exchange Bank	111,940	11.69	10.11
First-Wisconsin Trust Co.	62.5%	6.53	5.65
Wisconsin State Bank	18,564	1.9%	1.68
Total 5 largest banks	957,479	100.00	86.50
Total 14 all other banks	149,490		13.50
Total 19 commercial bank	1,106,969		100.00
Total 2 mutual savings banks	4,041		

[1498] *In United States District Court*

DEFENDANT EXHIBIT 89

RECAPITULATION

	Largest Bank	
	1946	1956
	Number of banks	
50 M to 100 M Population		
Percentage under 25%	3	2
" 25% to 34%	11	9
" 35% to 50%	43	47
" Over 50%	65	66
	122	124
100 M to 150 M Population		
Percentage under 25%	0	1
" 25% to 34%	5	4
" 35% to 50%	17	18
" Over 50%	16	15
	38	38
150 M to 200 M Population		
Percentage under 25%	1	1
" 25% to 34%	3	1
" 35% to 50%	8	8
Over 50%	1	3
	13	13
200 M to 250 M Population		
Percentage under 25%	0	0
" 25% to 34%	0	2
" 35% to 50%	5	3
" Over 50%	4	4
	9	9
250 M to 300 M Population		
Percentage under 25%	0	0
" 25% to 34%	2	2
" 35% to 50%	4	4
" Over 50%	0	0
	6	6
300 M to 350 M Population		
Percentage under 25%	0	0
" 25% to 34%	0	0
" 35% to 50%	2	2
" Over 50%	3	3
	5	5

[1499]

	Largest Bank	
	1946	1956
	Number of banks	
350 M to 400 M Population		
Percentage under 25%	0	0
" 25% to 34%	1	1
" 35% to 50%	3	2
" Over 50%	0	1
	4	4
400 M to 500 M Population		
Percentage under 25%	0	1
" 25% to 34%	3	2
" 35% to 50%	4	4
" Over 50%	0	0
	7	7
Population 500 M and over		
Percentage under 25%	3	2
" 25% to 34%	6	6
" 35% to 50%	6	6
" Over 50%	3	4
	18	18
GRAND RECAPITULATION		
Percentage under 25%	7	7
" 25% to 34%	31	27
" 35% to 50%	92	94
" Over 50%	92	96
	222	224

[1500]

CITIES WITH 50,000 TO 100,000 POPULATION

City		Pop.	Number of Banks 1946	Number of Banks 1956	% Held by Largest Bank 1946	% Held by Largest Bank 1956	% Held by 2 Largest Banks 1946	% Held by 2 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks 1946 (Millions)	Total All Commercial Banks 1956 (Millions)
Gadsden, Ala.		53.7	4	4	47.2	48.3	84.	80.4	16.	19.6	29.9	42.7
Fort Smith, Ark.		56.3	3	3	43.9	45.8	85.6	86.3	14.4	13.7	46.6	70.5
Alameda, Calif.	x	64.4										
Alhambra, Calif.	x	51.3										
Burbank, Calif.	x	78.5										
Inglewood, Calif.	x	57.4										
Richmond, Calif.	x	99.5										
Riverside, Calif.	x	56.6										
San Jose, Calif.	x	95.3										
San Pedro, Calif.	x	60.										
Santa Barbara, Calif.	x	50.8										
Santa Monica, Calif.	x	78.2										
South Gate, Calif.	x	51.1										
Stockton, Calif.	x	70.9										
Pueblo, Colo.		63.7	3	4	47.1	50.4	91.1	73.6	8.9	26.4	62.6	90.2
Norwalk, Conn.		72.	2	2	56.4	64.4	100.	100.	-	-	8.3	25.1
Stamford, Conn.		74.3	6	6	36.4	41.8	69.8	78.5	30.2	29.5	74.3	153.6
Orlando, Fla.		52.4	2	5	60.8	41.7	100.	66.8	-	33.2	66.6	132.7
St. Petersburg, Fla.		96.7	3	6	38.3	31.4	72.7	62.2	27.3	37.8	87.3	181.3
Augusta, Ga.		71.5	4	6	40.8	47.2	77.9	78.7	22.1	21.3	69.6	103.8
Columbus, Ga.		79.6	5	4	40.2	39.	62.7	76.8	37.3	23.2	68.9	91.7
Macon, Ga.		70.3	4	4	45.2	46.9	88.3	90.7	11.7	9.3	65.0	86.5
Boise, Idaho		34.4	3	3	54.7	48.4	99.8	95.4	.2	4.6	229.7	387.6
Aurora, Ill.		50.6	3	3	39.3	39.3	69.8	72.2	30.2	27.8	84.9	84.5
Berwyn, Ill.		51.3	1	2	100.	67.5	100.	100.	-	-	10.4	25.8
Cicero, Ill.		68.0	3	3	44.7	39.0	75.2	71.2	24.8	28.8	69.9	67.2
Evanston, Ill.		75.	3	3	58.9	48.5	83.3	87.1	16.7	12.9	90.8	149.3
Joliet, Ill.		51.6	2	3	68.4	58.8	100.	86.7	-	13.3	45.3	84.4
National City, Ill.		.2	1	1	100.	100.	100.	100.	-	-	103.3	111.3
Oak Park, Ill.		63.3	4	4	39.2	39.6	62.3	66.	37.7	34.	87.5	150.2
Springfield, Ill.		81.6	3	4	45.6	40.4	82.4	75.3	17.6	24.7	91.0	145.2
East Chicago, Ind.		54.3	2	2	54.3	54.6	100.	100.	-	-	35.7	58.1
Hammond, Ind.		87.6	3	3	53.	45.5	90.8	83.8	9.2	16.2	38.8	79.4
Muncie, Ind.		58.5	3	3	68.2	62.3	92.9	86.7	7.1	13.3	78.9	57.8
Terre Haute, Ind.		64.2	5	5	60.5	58.5	81.5	81.3	18.5	18.7	87.3	130.7
Davenport, Iowa		74.9	3	3	88.7	77.2	98.5	88.7	4.5	11.3	89.5	122.8
Cedar Rapids, Iowa		72.3	5	5	70.7	66.0	85.1	83.3	14.9	16.7	120.0	153.4
Sioux City, Iowa		84.0	8	8	25.6	25.6	68.1	67.7	31.9	32.3	113.8	133.4
Waterloo, Iowa		65.2	3	3	80.	80.7	93.6	88.9	6.4	11.1	66.6	66.8

[1501]

CITIES WITH 50,000 TO 100,000 POPULATION

City	Pop.	Number of Banks 1945	Number of Banks 1944	% Held by Largest Bank 1945	% Held by Largest Bank 1944	% Held by 3 Largest Banks 1945	% Held by 3 Largest Banks 1944	% Held by Remaining Banks 1945	% Held by Remaining Banks 1944	Total All Commercial Banks 1945 (millions)	Total All Commercial Banks 1944 (millions)
Topeka, Kan.	78.8	11	8	25.7	28.7	80.	87.0	20.0	43.0	101.9	146.3
Covington, Ky.	64.5	6	6	32.0	34.6	65.1	61.2	34.9	38.8	41.4	44.5
Lexington, Ky.	65.5	7	6	43.3	41.4	87.4	61.3	42.6	38.7	90.4	107.5
Portland, Maine	77.4	5	5	32.4	30.4	87.3	89.9	42.7	40.1	95.8	135.9
Silver Springs, Md.	68.	1	2	100.	86.8	100.	100.	-	-	22.8	125.5
Brockton, Mass.	62.6	3	2	85.6	89.4	98.4	100.	1.6	-	45.	80.9
Brookline, Mass.	86.9	2	2	67.9	77.1	100.	100.	-	-	90.1	118.7
Chicopee, Mass.	84.1	1	1	100.	100.	100.	100.	-	-	4.5	6.4
Holyoke, Mass.	82.2	4	3	51.2	86.5	86.3	86.7	13.7	13.3	89.4	63.2
Lawrence, Mass.	76.1	3	3	85.3	86.5	98.8	99.1	1.2	.9	42.1	51.3
Lowell, Mass.	93.9	3	2	77.1	82.3	99.2	100.	.8	-	45.5	86.7
Lynn, Mass.	99.0	5	5	36.	35.3	63.3	64.6	36.7	35.4	66.6	75.1
Malden, Mass.	89.5	3	3	48.1	47.	92.8	78.7	7.2	21.3	48.2	80
Medford, Mass.	65.4	1	2	100.	64.9	100.	100.	-	-	15.7	7.1
Newton, Mass.	86.5	2	2	85.4	71.2	100.	100.	-	-	48.5	48.7
Pittsfield, Mass.	85.3	3	3	82.2	82.9	81.4	82.8	18.6	17.2	41.5	46.2
Quincy, Mass.	84.5	3	3	62.6	86.0	90.9	88.	9.1	12.0	48.2	67.8
Somerville, Mass.	97.0	2	2	53.5	80.1	100.	100.	-	-	27.8	22.6
Waltham, Mass.	80.1	2	4	98.7	67.1	100.	82.4	-	17.6	30.	42.3
Bay City, Mich.	82.5	4	3	49.7	75.5	80.9	98.2	19.1	1.8	89.4	75.9
Dearborn, Mich.	98.	1	2	100.	82.2	100.	100.	-	-	37.8	71.
Jackson, Mich.	51.1	2	2	61.6	58.2	100.	100.	-	-	60.4	113.0
Kalamazoo, Mich.	57.7	4	4	52.5	48.1	84.3	78.1	15.7	21.9	89.8	153.8
Pontiac, Mich.	73.7	2	2	88.4	76.8	100.	100.	-	-	54.9	109.8
Saginaw, Mich.	92.9	2	2	77.6	67.0	100.	100.	-	-	98.7	160.0
Jackson, Miss.	98.3	4	3	36.4	88.0	64.8	97.2	35.2	2.8	162.6	282.4
St. Joseph, Mo.	78.6	11	11	29.0	34.5	50.	48.6	50.	54.4	107.0	137.
Springfield, Mo.	66.7	4	5	85.0	49.2	78.1	78.4	21.9	21.6	66.4	81.6
Helena, Mont.	17.6	2	2	84.0	85.9	100.	100.	-	-	32.1	41.5
Lincoln, Nebr.	98.9	6	6	39.1	39.2	71.6	71.4	28.4	28.6	140.6	169.5
Manchester, N.H.	82.7	7	7	43.8	40.5	66.7	66.6	33.3	33.4	41.8	57.7
Atlantic City, N.J.	61.7	3	3	52.1	61.9	85.7	89.1	14.3	10.9	79.9	115.3
Bayonne, N.J.	77.2	3	3	45.2	44.1	82.0	78.5	18.0	21.5	51.2	56.8
East Orange, N.J.	79.3	3	2	57.6	57.4	87.9	100.	12.1	-	73.2	77.6
Hoboken, N.J.	50.7	5	5	45.5	45.5	72.2	67.7	27.8	32.3	49.4	29.9
Irvington, N.J.	59.2	4	2	49.4	64.2	71.4	100.	28.6	-	44.2	55.9
Union City, N.J.	55.5	5	4	31.7	45.2	61.1	76.7	38.9	23.3	128.1	195.7
Albuquerque, N.M.	96.8	3	3	55.3	47.4	94.7	85.6	5.3	14.4	86.9	106.5
Santa Fe, N.M.	28.0	2	2	98.6	96.5	100.	100.	-	-	26.8	73.9
Binghamton, N.Y.	88.7	4	3	39.7	69.9	70.8	95.5	29.2	4.5	77.3	101.9
Levittown, N.Y.	60.	2	2	-	91.6	-	100.	-	-	-	27.6
Mount Vernon, N.Y.	71.9	3	2	44.0	54.8	83.2	100.	16.8	-	89.2	66.9

[1502]

CITIES WITH 50,000 TO 100,000 POPULATION

City	Pop.	Number of Banks 1966	Number of Banks 1956	% Held by Largest Bank 1966	% Held by Largest Bank 1956	RESOURCES: % Held by 3 Largest Banks 1966	% Held by 3 Largest Banks 1956	% Held by Remaining Banks 1966	% Held by Remaining Banks 1956	Total All Commercial Banks 1966 (millions)	Total All Commercial Banks 1956 (millions)
New Rochelle, N.Y.	59.7	3	2	49.1	53.8	87.5	100.	12.5	-	55.3	84.4
Niagara Falls, N.Y.	90.9	2	3	93.	79.2	100.	92.5	-	7.5	91.3	117.2
Schenectady, N.Y.	91.8	5	4	44.0	34.6	[illegible]	75.9	34.4	24.1	108.8	149.3
Troy, N.Y.	72.3	3	3	49.5	41.4	82.9	80.9	17.1	19.1	88.2	127.6
Reno, Nevada	47.7	3	3	93.3	80.5	100.	95.9	-	4.1	128.2	257.5
Asheville, N.C.	53.0	4	4	36.7	30.7	87.1	84.7	12.9	15.3	80.2	73.0
Durham, N.C.	71.3	8	7	37.9	32.4	62.8	64.0	37.2	36.	82.	97.7
Greensboro, N.C.	74.4	4	4	64.6	69.4	93.9	90.1	6.1	9.9	92.3	180.8
Raleigh, N.C.	65.7	5	6	36.3	40.9	94.4	91.7	5.6	8.3	212.7	352.5
Fargo, North Dakota	38.3	4	4	43.6	38.0	65.8	63.5	34.2	36.5	80.1	69.9
Cleveland Heights, O.	59.1	3	3	77.4	78.8	94.3	95.3	5.7	4.7	33.6	41.6
Hamilton, Ohio	70.	3	3	35.0	30.5	83.6	79.5	16.4	20.5	61.3	78.6
Lakewood, Ohio	75.	2	3	82.1	96.1	100.	98.7	-	1.3	43.0	53.7
Lima, Ohio	50.2	2	2	51.2	50.6	100.	100.	-	-	41.2	57.6
Lorain, Ohio	51.2	5	5	32.5	29.3	61.3	52.5	38.7	47.5	45.7	73.9
Mansfield, Ohio	50.	4	3	43.8	40.7	70.9	85.3	29.1	14.7	60.6	107.5
Springfield, Ohio	80.	3	4	51.4	47.6	96.5	83.2	3.5	16.8	49.0	69.0
Eugene, Oregon	x										
Salem, Oregon	x										
Bethlehem, Penn.	66.3	4	4	48.8	44.9	71.8	74.5	28.2	25.5	84.1	96.
Chester, Penn.	66.0	4	3	46.7	46.5	80.5	73.4	19.5	26.6	75.7	100.1
Harrisburg, Penn.	89.5	10	9	26.8	33.7	46.2	49.0	53.8	51.0	133.0	190.
Johnstown, Penn.	63.2	4	4	51.6	51.6	77.4	79.6	22.6	20.4	52.3	85.3
Lancaster, Penn.	63.8	5	4	28.0	32.6	54.7	58.9	45.3	41.1	96.8	138.4
McKeesport, Penn.	51.5	4	3	46.3	55.4	76.3	96.0	23.7	4.0	63.	193.4
Wilkes-Barre, Penn.	76.8	7	7	35.3	38.2	57.2	57.7	42.8	42.3	128.4	172.9
York, Penn.	59.6	7	7	23.8	22.5	44.8	42.2	55.2	57.8	137.1	182.3
Cranston, R.I.	55.1	2	4	75.2	56.0	100.	72.9	-	27.1	7.2	17.9
Pawtucket, R.I.	81.4	6	6	75.1	48.9	92.7	85.	7.3	15.0	55.6	72.5
Woonsocket, R.I.	50.2	5	4	37.3	32.9	45.2	84.2	54.8	15.8	36.9	46.5
Charleston, S.C.	x										
Greenville, S.C.	58.2	3	3	36.9	35.4	70.4	67.8	29.6	32.	72.3	93.7
Sioux Falls, S.D.	52.7	5	5	47.5	43.3	72.6	68.0	27.4	32.	83.9	126.2
Amarillo, Texas	100.	3	4	51.8	42.9	85.1	83.9	14.9	16.1	91.9	164.6
Galveston, Texas	71.6	5	5	24.2	48.7	47.9	65.2	52.1	34.8	114.2	202.9
Laredo, Texas	51.9	2	2	68.9	63.7	100.	100.	-	-	25.4	31.7
Lubbock, Texas	71.7	3	5	40.2	35.	78.2	68.1	21.8	31.9	69.6	172.7
Port Arthur, Texas	57.5	2	2	59.	53.9	100.	100.	-	-	42.3	58.8
San Angelo, Texas	62.1	3	3	44.1	44.6	74.2	72.6	25.8	27.4	44.	58.2
Waco, Texas	84.7	3	5	49.8	43.6	94.8	82.7	5.2	17.3	73.6	114.2
Wichita Falls	68.0	3	4	44.7	41.0	79.9	80.9	20.1	19.1	87.	152.1
Ogden, Utah	57.1	2	3	74.7	67.5	100.	92.6	-	7.4	99.2	139.0

[1503]

CITIES WITH 50,000 TO 100,000 POPULATION

City	Pop.	Number of Banks 1946	Number of Banks 1956	% Held by Largest Bank 1946	% Held by Largest Bank 1956	RESOURCES % Held by 3 Largest Banks 1946	% Held by 3 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks 1946	Total All Commercial Banks 1956
* Burlington, Vermont	33.2	4	3	23.3	45.4	57.1	92.2	42.9	7.8	48.6	59.1
Alexandria, Va.	61.8	4	4	34.9	52.7	68.7	82.4	31.3	17.6	39.6	87.7
Hampton, Va.	61.0	4	4	41.1	39.6	69.7	67.0	30.3	33.	21.7	31.5
Portsmouth, Va.	80.9	4	4	33.9	45.6	75.6	71.8	24.4	28.2	48.3	86.2
Roanoke, Va.	91.9	5	4	60.3	54.6	75.7	77.5	24.3	22.5	112.9	169.5
Warwick, Va.	50.0	0	1	-	100.	-	100.	-	-	-	8.7
Charleston, W. Va.	73.5	4	5	44.8	38.9	78.8	76.4	21.2	23.6	172.8	218.3
Huntington, W. Va.	86.4	4	5	71.9	42.5	84.8	75.2	15.2	21.8	66.5	116.2
Wheeling, W. Va.	58.8	10	8	41.4	42.5	54.9	57.1	45.1	42.9	104.8	123.5
Green Bay, Wisc.	52.7	5	5	31.2	48.2	67.5	63.8	32.5	36.2	62.3	89.5
Kenosha, Wisc.	56.4	4	3	77.9	69.0	93.6	87.0	6.4	13.0	49.9	72.2
Madison, Wisc.	96.1	8	7	63.1	55.5	72.3	67.8	27.7	32.2	117.9	153.8
Racine, Wisc.	71.2	5	5	55.5	50.0	81.7	75.5	18.3	24.5	84.7	116.3
Wauwatosa, Wisc.	33.0	2	2	50.0	60.7	100.	100.	-	-	15.5	33.4
* Casper, Wyo.	23.7	2	2	50.3	52.4	100.	100.	-	-	28.	76.3
* Cheyenne, Wyo.	31.9	2	2	51.5	53.3	100.	100.	-	-	39.8	58.6

* Population less than 50,000. Included to provide coverage of all states.

x Figures omitted because city served in a substantial way or entirely by branch banks.

[1504]

CITIES WITH 100,000 TO 150,000 POPULATION

City	Pop.	Number of Banks 1946	Number of Banks 1956	RESOURCES: % Held by Largest Bank 1946	% Held by Largest Bank 1956	% Held by 2 Largest Banks 1946	% Held by 2 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks (Millions) 1946	Total All Commercial Banks (Millions) 1956
Mobile, Ala.	129	3	4	50.1	47.7	92.2	87.6	7.8	12.4	195.	252.
Montgomery Ala.	106	3	3	42.4	89.3	85.1	80.7	14.9	19.3	93.	119.
Little Rock, Ark.	102	4	6	38.4	33.9	70.6	64.1	29.4	35.9	166.	217.
Berkley, Calif.	x 114										
Fresno, Calif.	x 113										
Glendale, Calif.	x 111										
Pasadena, Calif.	x 118										
Sacramento, Calif.	x 137										
Waterbury, Conn.	106	5	4	35.0	37.7	65.2	65.4	34.8	34.6	88.	123.
Wilmington, Del.	110	9	7	51.2	47.9	64.3	70.9	35.7	29.1	388.	559.
Savannah, Ga.	119	10	9	70.6	69.1	80.8	84.2	19.2	15.8	216.	262.
Peoria, Ill.	111	8	8	40.8	37.2	62.7	57.2	37.3	42.8	162.	217.
Rockford, Ill.	105	5	5	40.2	38.4	72.0	66.2	28.0	33.8	168.	206
Evansville, Ind.	128	9	6	29.1	38.3	55.9	65.9	44.1	34.1	147.	199.
Fort Wayne, Ind.	133	5	5	42.1	45.5	70.5	75.3	29.5	24.7	176.	298.
Gary, Ind.	134	3	2	84.1	88.4	99.1	100.	.9	-	70.	148.
South Bend, Ind.	116	5	5	40.7	46.5	65.5	69.4	34.5	30.6	114.	186.
Kansas City, Kan.	129	16	16	27.0	30.1	44.3	42.4	55.7	57.6	134.	207.
Baton Rouge, La.	125	4	5	39.2	27.8	70.0	51.2	30.0	48.8	94.	240.
Shreveport, La.	127	4	5	50.1	43.4	85.5	85.7	14.5	14.3	186.	306.
Cambridge, Mass.	106	5	4	63.	73.1	78.3	87.6	21.7	12.4	98.	126.
Fall River, Mass.	105	3	3	38.4	37.0	75.2	71.1	24.8	28.9	59.	75.
New Bedford, Mass.	105	4	3	48.9	49.7	75.3	97.4	24.6	2.7	76.	77.
Duluth, Minn.	104	10	9	45.4	44.7	74.4	72.6	25.6	27.4	164.	195.
Camden, New Jersey	124	3	3	57.5	56.6	96.5	97.1	3.5	2.9	167.	249.
Clifton-Passaic, N.J.	132	4	6	52.8	56.7	66.2	73.7	33.8	26.3	169.	271.
Elizabeth, N.J.	113	5	4	30.6	35.8	60.9	70.2	39.1	29.8	125.	184.
Paterson, N.J.	139	8	4	29.8	61.9	49.2	87.4	50.8	12.6	274.	332.
Trenton, N.J.	128	6	6	41.7	37.8	65.8	60.6	34.2	39.4	257.	305.
Albany, N.Y.	135	5	5	50.	54.0	84.9	88.9	15.1	11.1	431.	646.
Utica, N.Y.	101	3	3	58.8	47.6	96.8	94.9	3.2	5.1	109.	152.
Charlotte, N.C.	134	8	8	53.0	56.2	83.8	80.1	16.2	19.9	519.	794.
Allentown, Penn.	107	5	4	37.7	48.3	65.1	75.9	34.9	24.1	111.	175.
Erie, Penn.	131	6	5	31.6	39.6	59.9	72.9	40.1	27.1	159.	199.
Reading, Penn.	109	4	4	49.3	56.3	87.5	83.7	12.5	16.3	134.	187.
Scranton, Penn.	126	9	8	59.1	56.6	77.3	74.5	22.7	25.5	176.	209.
Chattanooga, Tenn.	131	4	4	63.8	54.0	93.5	89.2	6.5	10.8	208.	272.
Knoxville, Tenn.	125	5	4	53.6	55.6	81.1	86.2	18.9	13.8	186.	234.
Austin, Texas	132	5	5	43.8	34.7	75.9	64.0	24.1	36.0	122.	202.
Corpus Christi, Texas	108	6	6	41.8	60.4	69.0	80.9	31.0	19.1	82.	149.
El Paso, Texas	130	2	4	56.4	47.1	100.	90.5	-	9.5	135.	237.

[1505]

CITIES WITH 100,000 TO 150,000 POPULATION

RESOURCES

City	Pop.	Number of Banks 1946	Number of Banks 1956	% Held by Largest Bank 1946	% Held by Largest Bank 1956	% Held by 2 Largest Banks 1946	% Held by 2 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks 1946 (MILLIONS)	Total All Commercial Banks 1956 (MILLIONS)
Arlington, Va.	135	3	5	53.0	32.4	79.4	64.1	20.6	35.9	28.	103.
Tacoma, Wash.	144	6	6	48.4	50.5	71.9	73.8	28.1	26.2	231.	319.

x Figures omitted because city served in a substantial way or entirely by branch banks.

[1506]

CITIES WITH 150,000 TO 200,000 POPULATION

RESOURCES

City	Pop.	Number of Banks 1946	Number of Banks 1956	% Held by Largest Bank 1946	% Held by Largest Bank 1956	% Held by 3 Largest Banks 1946	% Held by 3 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks 1946	Total All Commercial Banks 1956
										(Millions)	
Phoenix, Arizona	155	6	6	70.5	56.5	92.8	84.6	7.2	15.4	314.	731.
Bridgeport, Conn.	158	7	6	44.5	52.3	85.2	88.7	14.8	11.3	190.	276
Hartford, Conn.	177	11	5	33.4	49.2	59.7	95.5	40.3	4.5	467.	804.
New Haven, Conn.	164	9	8	33.6	35.6	54.1	56.6	45.9	43.4	227.	317.
Des Moines, Iowa	178	9	11	38.5	31.2	65.0	58.7	35.0	41.3	301.	422.
Wichita, Kansas	168	7	9	46.4	47.6	83.1	77.9	16.9	22.1	240.	375.
Springfield, Mass.	166	5	5	41.0	38.2	65.4	62.1	34.6	37.9	212.	249.
Flint, Michigan	x 163										
Grand Rapids, Mich.	x 177										
Yonkers, New York	153	4	3	40.5	62.2	77.8	98.6	22.2	1.4	80.	153.
Youngstown, Ohio	168	5	4	34.1	37.1	60.4	70.9	39.6	29.1	184.	284.
Tulsa, Oklahoma	183	8	11	46.6	42.3	86.3	80.3	13.7	19.7	352.	655.
Nashville, Tenn.	174	6	6	47.2	38.6	70.4	70.2	29.6	29.8	408.	604.
Salt Lake City, Utah	182	9	8	24.6	24.5	48.2	48.6	51.8	51.4	322.	536.
Spokane, Washington	162	4	5	39.9	45.8	77.4	77.6	22.6	22.4	243.	301.

x Figures omitted because city served in a substantial way or entirely by branch banks.

[1507]

CITIES WITH 200,000 TO 250,000 POPULATION

City	Rk.	Number of Banks 1946	Number of Banks 1936	% Held by Largest Bank 1946	% Held by Largest Bank 1936	% Held by 3 Largest Banks 1946	% Held by 3 Largest Banks 1936	% Held by Remaining Banks 1946	% Held by Remaining Banks 1936	Total All Commercial Banks 1946 (1,000's omitted)	Total All Commercial Banks 1936 (1,000's omitted)
Jacksonville, Florida	209	7	11	37.4	34.8	72.4	68.8	27.6	31.2	391,	976,
Tampa, Florida	221	7	12	44.8	36.2	82.5	67.6	17.5	32.4	171,	272,
Worchester, Mass.	203	4	5	34.7	34.0	83.0	76.0	17.0	24.0	185.	238.
Syracuse, New York	221	5	4	42.6	35.2	67.1	62.4	32.9	37.6	261.	435.
Dayton, Ohio	244	4	4	41.5	41.5	88.4	84.6	11.6	15.4	260.	375.
Oklahoma City, Okla.	244	10	13	30.2	46.3	71.7	73.3	28.3	26.7	393.	576.
Providence, R. I.	249	11	5	40.1	37.9	59.8	93.0	40.2	7.0	794.	733.
Norfolk, Virginia	214	5	6	55.0	55.1	83.2	78.2	16.8	21.8	234.	304.
Richmond, Virginia	230	11	10	34.5	31.0	61.5	61.5	38.5	38.5	499.	672.

[1508]

CITIES WITH 250,000 TO 300,000 POPULATION

RESOURCES

City	Pop.	Number of Banks 1946	Number of Banks 1956	% Held by Largest Bank 1946	% Held by Largest Bank 1956	% Held by 2 Largest Banks 1946	% Held by 2 Largest Banks 1956	% Held by Remaining Banks 1946	% Held by Remaining Banks 1956	Total All Commercial Banks 1946	Total All Commercial Banks 1956
										(Millions)	
Miami, Fla.	259	10	14	38.0	40.9	63.2	55.2	36.8	44.8	280.	595.
Omaha, Nebr.	251	9	10	36.4	47.9	56.5	67.4	43.5	32.6	452.	522.
Jersey City, N.J.	299	8	7	30.8	26.8	55.6	52.0	44.4	48.	406.	467.
Akron, Ohio	275	5	5	38.7	46.7	67.9	68.1	32.1	31.9	331.	476.
Canton, Ohio	275	5	5	33.1	32.0	65.1	62.5	34.9	37.5	136.	195.
Fort Worth, Texas	279	8	15	43.6	37.4	78.4	72.8	21.6	27.2	410.	739.

[1509]

CITIES WITH 100,000 TO 250,000 POPULATION

City	Fed.	Number of Banks		$ Held by Largest Bank		$ Held by 3 Largest Banks		$ Held by Remaining Banks		Total All Commercial Banks (000's omit)	
		1946	1936	1946	1936	1946	1936	1946	1936	1946	1936
Birmingham, Ala.	5th	6	6	63.9	63.3	93.5	88.4	6.5	11.6	373.	327.
Long Beach, Calif.	a 12th										
San Diego, Calif.	a 12th										
Atlanta, Ga.	6th	13	12	42.0	35.2	62.7	58.6	37.3	41.4	820.	1,117.
St. Paul, Minn.	9th	16	20	95.6	95.6	78.0	78.6	22.0	21.4	519.	642.
Rochester, N.Y.	2nd	5	4	47.2	44.9	67.8	71.4	32.2	28.6	498.	738.
Toledo, Ohio	6th	6	6	68.9	89.1	83.3	75.9	16.7	24.1	390.	848.

a Figures omitted because city served in a substantial way or entirely by branch banks.

[1510]

CITIES WITH 300,000 TO 400,000 POPULATION

City	Pop.	Number of Banks 1926	Number of Banks 1925	% Held by Largest Bank 1926	% Held by Largest Bank 1925	% Held by 3 Largest Banks 1926	% Held by 3 Largest Banks 1925	% Held by Remaining Banks 1926	% Held by Remaining Banks 1925	Total All Commercial Banks 1926 (000 omitted)	Total All Commercial Banks 1925 (000 omitted)
Oakland, Calif.	x 384.										
San Bernardino, Calif.	x 362										
Louisville, Ky.	369.	12	10	34.6	30.7	55.7	52.5	44.3	47.5	832.	738.
Columbus, Ohio	376	9	7	42.6	53.5	71.4	76.8	28.6	23.2	468.	763.
Portland, Oregon	376	6	6	45.4	47.9	92.8	92.3	7.2	7.7	1,117.	1,613.
Memphis, Tenn.	396	5	7	47.	45.7	80.2	80.3	19.8	19.7	673.	698.

x Figures omitted because city served in a substantial way or entirely by branch banks.

{1511]

CITIES WITH 400,000 TO 450,000 POPULATION

City	Pop.	Number of Banks 1926	Number of Banks 1936	% Held by Largest Bank 1926	% Held by Largest Bank 1936	% Held by 3 Largest Banks 1926	% Held by 3 Largest Banks 1936	% Held by Remaining Banks 1926	% Held by Remaining Banks 1936	Total All Commercial Banks 1926 (000 omitted)	Total All Commercial Banks 1936 (000 omitted)
Denver, Colorado	416	13	19	27.2	22.5	44.8	80.6	55.2	61.4	611.	921.
Indianapolis, Ind.	437	16	8	34.7	41.1	52.4	69.2	47.6	30.8	788.	1,182.
Newark, N.J.	439	13	8	48.7	35.9	55.4	61.1	44.6	38.9	864.	1,027.
Dallas, Texas	434	19	18	31.6	35.8	58.7	71.0	41.3	29.	1,037.	2,171.
San Antonio, Texas	408	11	16	32.8	27.7	57.9	54.9	42.1	45.1	401.	582.

[1512]

CITIES WITH 500,000 TO 750,000 POPULATION

City	Number of Banks Pop. 1946	1956	% Held by Largest Bank 1946	1956	% Held by 3 Largest Banks 1946	1956	% Held by Remaining Banks 1946	1956	Total All Commercial Banks 1946	1956
			RESOURCES						(Millions)	
Buffalo, New York	580	7	5	45.9	82.7	78.1	85.8	21.9	14.2	789.	1,283.
Cincinnati, Ohio	504	18	7	35.8	33.8	47.2	42.4	52.8	57.4	1,903.	1,332.
Houston, Texas	596	16	32	20.3	32.9	38.1	52.3	61.9	47.7	979.	2,605.
Milwaukee, Wisc.	637	19	19	56.0	48.2	69.1	65.7	30.9	34.3	1,107.	1,395.
Minneapolis, Minn.	521	17	18	40.6	28.3	79.5	75.1	20.5	24.9	972.	1,165.
New Orleans, La.	570	4	5	47.4	39.9	65.8	61.0	34.2	39.	739.	1,074.
Pittsburgh, Penn.	677	34	19	30.	66.0	58.8	78.7	41.2	21.3	1,991.	3,236.

[1513]

CITIES WITH 400,000 TO 800,000 POPULATION

City	Number of Banks Pop. 1940		1936	% Held by Largest Bank 1940	1936	% Held by 3 Largest Banks 1940	1936	% Held by Remaining Banks 1940	1936	Total All Commercial Banks 1940 (Millions)	1936
Kansas City, Mo.	400	23	30	37.3	34.8	88.3	84.4	61.7	63.6	1,142.	1,395.
Seattle, Washington	467	7	6	44.1	43.1	72.2	76.3	34.8	23.7	1,288.	1,688.

[1514]

IN UNITED STATES DISTRICT COURT

CITIES WITH 750,000 TO 1,000,000 POPULATION

City	Pop.	Number of Banks 1966	Number of Banks 1956	% Held by Largest Bank 1966	% Held by Largest Bank 1956	% Held by 2 Largest Banks 1966	% Held by 2 Largest Banks 1956	% Held by Remaining Banks 1966	% Held by Remaining Banks 1956	Total All Commercial Banks 1966 (millions)	Total All Commercial Banks 1956 (millions)
Baltimore, Md.	930	15	10	27.0	23.1	44.0	44.5	56.	55.5	1,130.	1,243.
Boston, Mass.	801	15	12	31.8	34.0	67.6	68.3	32.4	31.7	2,728.	2,934.
Cleveland, Ohio	915	11	9	49.2	45.2	72.3	69.2	27.8	30.8	2,055.	2,946.
San Francisco, Calif.	775	12	15	29.5	28.7	72.5	70.6	27.5	29.4	7,516.	8,117.
St. Louis, Mo.	857	29	28	26.7	27.8	47.6	44.1	52.4	45.9	1,809.	2,290.
Washington, D.C.	802	21	17	29.9	30.5	42.3	47.7	57.7	52.3	1,109.	1,508.

In United States Distric
DEFENDANT EXHIB

DEPOSITS OF CHATTANOOGA, TENN. BANKS
LOCAL DEPOSITS (EXCLUDING CORRESPONDENT BANKS)

	HAMILTON NATIONAL BANK						AMERICAN NATIONAL BANK & TRUST CO.					
	Demand Deposits	% Of Total	Time Deposits	% Of Total	Total Deposits	Share Of All Local Deposits	Demand Deposits	% Of Total	Time Deposits	% Of Total	Total Deposits	Share Of All Local Deposits
1960	69.3	63.64	39.6	36.36	108.9	47.35	67.6	74.94	22.6	25.06	90.2	39.22
1959	72.3	65.19	38.6	34.81	110.9	47.39	72.0	76.51	22.1	23.49	94.1	40.22
1958	62.7	65.45	33.1	34.55	95.8	43.53	65.0	73.36	23.6	26.64	88.6	40.25
1957	63.3	68.43	29.2	31.57	92.5	46.37	61.6	78.77	16.6	21.23	78.2	39.20
1956	57.8	67.60	27.7	32.40	85.5	45.24	61.8	79.74	15.7	20.26	77.5	41.00
1955	62.1	68.85	28.1	31.15	90.2	47.55	62.2	81.10	14.5	18.90	76.7	40.43
1954	60.9	68.97	27.4	31.03	88.3	48.92	56.5	79.58	14.5	20.42	71.0	39.34
1953	58.8	67.90	27.8	32.10	86.6	49.37	55.3	79.57	14.2	20.43	69.5	39.62
1952	57.1	67.73	27.2	32.27	84.3	50.24	52.4	79.03	13.9	20.97	66.3	39.51
1951	54.9	67.53	26.4	32.47	81.3	50.78	51.5	79.60	13.2	20.40	64.7	40.41
1950	50.6	64.46	27.9	35.54	78.5	52.26	45.9	78.06	12.9	21.94	58.8	39.15
1949	44.7	61.23	28.7	38.77	73.0	52.22	42.0	75.95	13.3	24.05	55.3	39.57

Amounts Expressed In Millions.

Source - Published Call Reports

712-306 O - 63 (Face blank p. 1206)

In United States District Court
DEFENDANT EXHIBIT 90

AMES)

TRUST CO.

PIONEER B. NK

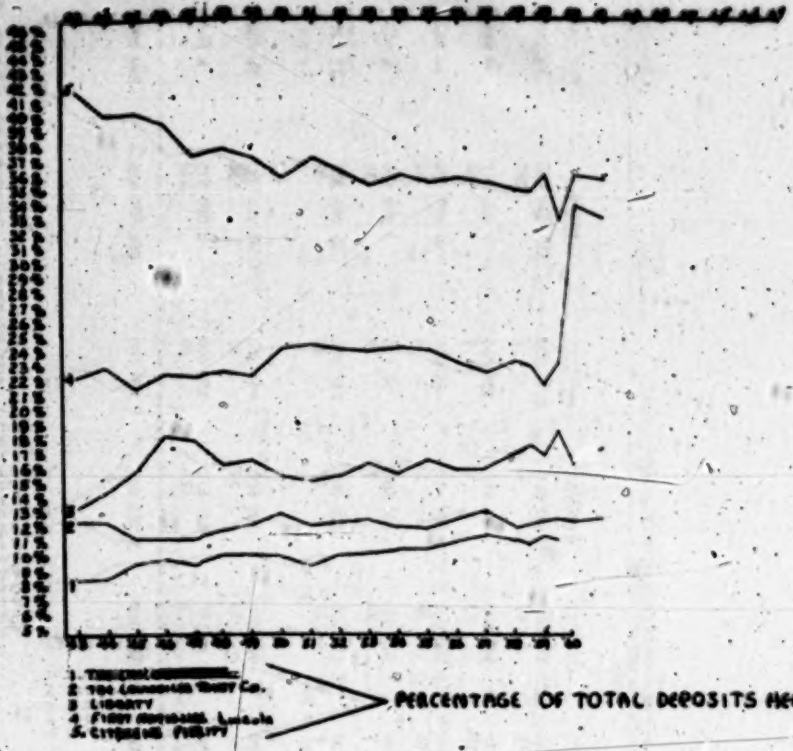
RIDGEDALE BANK & TRUST CO.

Total Deposits	Share Of All Local Deposits	Demand Deposits	% Of Total	Time Deposits	% Of Total	Total Deposits	Share Of All Local Deposits	Demand Deposits	% Of Total	Time Deposits	% Of Total	Total Deposits	Share Of All Local Deposits
90.2	39.22	17.0	55.02	13.9	44.98	30.9	13.43						
94.1	40.22	15.9	54.83	13.1	45.17	29.0	12.39						
88.6	40.25	12.3	50.83	11.9	49.17	24.2	11.00	11.5	41	6.2	54	11.5	5.22
78.2	39.20	10.8	50.00	10.8	50.00	21.6	10.82	7.2	44	4.4	56	7.2	3.61
77.5	41.00	10.8	49.77	10.9	50.23	21.7	11.48	4.3	61	1.4	33	4.3	2.28
76.7	40.43	10.1	50.00	10.1	50.00	20.2	10.65	2.6	13	.1	38	2.6	1.37
71.0	39.34	9.5	49.48	9.7	50.52	19.2	10.63	2.0	63	.7	37	2.0	1.11
69.5	39.62	8.7	48.33	9.3	51.67	18.0	10.27	1.3	67	.4	31	1.3	.74
66.3	39.51	7.5	45.18	9.1	54.82	16.6	9.89	.6	15	.1	85	.4	.36
64.7	40.41	5.7	40.43	8.4	59.67	14.1	8.81						
58.8	39.15	5.2	40.31	7.7	59.69	12.9	8.59						
55.3	39.57	4.0	34.78	7.5	65.22	11.5	8.21						

* Ridgedale Absorbed In 1959 With Hamilton National Under Latter Charter April 27, 1959 With 11.5 Million In Deposits.

[1516] *In United States District Court*

DEFENDANT EXHIBIT 91



RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY COURT
FOR THE CALENDAR YEAR
1960

	Executor	Admnstr	Trustee	Guardian	Committee	TOTAL	Per cent
Citizens Fidelity Bk & Tr Co Number of Cases	$7 839 000 52	$1 447 000 21	$3 325 000 27	$122 500 4	$165 000 5	$12 898 500 109	15 599
Liberty National Bk & Tr Co	5 516 000 23	430 500 18	826 000 13	13 000 1	335 000 5	7 120 500 60	8 611
Kentucky Trust Co	6 384 000 28	764 500 15	3 160 000 26	1 695 000 3	65 000 1	11 998 500 73	14 510
Lincoln Bank & Trust Co	1 805 000 12	668 000 3	1 347 500 10	67 000 7	92 000 2	3 979 500 34	4 813
The Louisville Trust Co	7 680 000 20	1 527 500 9	4 515 000 12	325 900 27	237 000 24	14 285 400 92	17 276
Individuals———							
$10000 and over	23 138 000 429	2 839 000 111	915 000 13	360 000 17	1 063 500 25	28 315 500 595	34 244
Under $10000	1 625 200 436	1 614 400 576	20 000 5	638 475 374	192 500 84	4 090 575 1475	4 947
TOTALS	$53 987 200	9 290 900	14 108 500	3 151 875	2 150 000	$82 688 475	100 000

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1950
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	Executor	Admstr	Trustee	Guardian	Committee	TOTAL	Per cent
The Louisville Trust Company	638 000 13%	754 000 13%	3 254 000 18%	143 500 38%	390 500 37%	5 180 000 88%	6 346
Citizens Fidelity Bk & Tr Co	8 805 000 81%	1 440 500 25%	9 485 000 27%	30 000 1%	60 000 2%	19 746 500 218%	24 192
Kentucky Trust Co	5 647 500 26%	710 000 8%	4 270 000 23%		90 000 1%	10 717 500 58%	13 130
Liberty Bank & Trust Co	2 833 500 26%	1 334 000 23%	190 500 3%	3 500 1%	30 000 3%	4 311 500 57%	5 282
Lincoln Bank & Trust Co	3 999 000 21%	388 000 19%	1 343 000 14%		12 000 1%	5 953 000 55%	7 296
INDIVIDUALS $10000 & over	31 334 300 288%	4 313 000 92%	4 835 000 23%	588 000 24%	138 500 8%	31 420 800 545%	38 494
Under $10000	1 804 000 483%	1 816 330 577%	38 400 6%	678 650 374%	188 000 75%	4 293 300 1494%	5 260
TOTALS	45 101 300 986%	10 874 750 757%	23 315 900 128%	1 443 650 419%	889 000 126%	81 634 600 2426%	100 000

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1958
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMNSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	2 353 000 19*	954 000 11*	620 000 2*	259 000 (10) 37*	431 500 (28) 51*	4 617 500 120*	7 75
CIT-FID BK AND TR CO	7 979 000 44*	571 000 29*	1 906 500 19*	50 000 1*	85 000 5*	10 591 500 98*	18 16
KENTUCKY TRUST CO	4 351 000 23*	582 000 12*	3 421 000 24*		1 400 000 2*	9 754 000 61*	16 73
LIBERTY NATL BK/TR CO	1 818 600 33*	487 500 18*	620 000 14*	21 000 3*	75 000 1*	3 122 100 69*	5 35
LINCOLN BK AND TR CO	3 437 000 17*	150 000 9*	1 175 000 9*	125 000 3*	180 000 4*	5 067 000 42*	8 69
INDIVIDUALS - - - - -							
$10000 and over	16 376 500 405*	2 889 000 99*	470 000 9*	521 000 25*	1 025 500 14*	21 182 000 552*	36 33
under $10000	1 397 300 388*	2 642 700 589*	40 700 13*	740 035 378*	259 200 111*	4 075 835 1 480*	6 99
TOTALS	37 612 300 909*	7 376 200 760*	8 253 200 90*	1 716 035 447*	3 452 200 188*	58 309 935 2 402*	100 00

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1941
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	Executor	Administr	Trustee	Guardian	Committee	Total	Per Cent
The Louisville Trust Company	1 771 500 17*	97 000 5*	1 985 000 4*	114 000 30*	200 500 23*	4 198 000 79*	8 187
Citizens Fidelity Bk & Tr Co	4 645 500 34*	1 218 000 31*	1 709 000 11*	212 500 4*	213 000 6*	7 998 000 89*	16 170
Kentucky Trust Co	4 810 150 25*	1 130 500 13*	1 778 000 18*	340 000 6*		8 058 650 62*	16 293
Liberty Bank & Trust Co	2 607 500 34*	54 000 13*	727 000 6*	56 500 3*	365 000 3*	3 810 000 59*	7 703
Lincoln Bank & Trust Co	2 006 000 22*	119 000 6*	193 000 5*	10 500 4*		2 328 500 37*	4 708
INDIVIDUALS							
$10000 and over	14 226 000 36*	1 915 500 75*	2 066 100 21*	327 900 20*	503 000 18*	19 018 500 196*	38 451
Under $10000	1 437 600 42*	1 527 475 470*	61 000 16*	579 985 364*	243 700 132*	4 049 760 1422*	8 188
	31 704 250 954*	6 061 475 813*	8 499 100 84*	1 671 385 411*	1 525 200 189*	49 461 410 2241*	100 000

* - Number of Cases

[1521]

1212

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1954
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	2 107 000 11%	254 500 5%	600 000 7%	135 500 31%	133 000 23%	3 230 000 7%	3 862
CITIZENS FIDELITY BK & TR	7 090 000 38%	2 017 500 25%	3 605 500 26%	215 000 8%	67 000 4%	13 075 000 102%	23 667
KENTUCKY TRUST CO	3 124 000 23%	1 211 000 15%	3 220 000 21%	35 000 3%	275 000 2%	7 865 000 64%	14 224
LIBERTY NATL BK & TRUST	1 487 000 29%	207 200 11%	1 532 000 17%	6 000 1%	70 000 2%	3 302 200 60%	5 972
LINCOLN BANK & TRUST CO	2 953 500 13%	615 000 6%	183 500 9%	66 500 4%		3 818 500 32%	6 905
INDIVIDUALS - 10% & OVER - UNDER 10%	14 275 500 30%	2 336 700 89%	2 801 000 22%	179 250 12%	272 000 11%	19 914 450 43%	36 016
	1 609 150 [illegible]	1 502 800 57%	15 500 [illegible]	650 170 34%	250 200 10%	4 027 820 [illegible]	7 283
TOTALS	32 646 150 [illegible]	8 264 700 74%	12 037 500 [illegible]	1 287 420 [illegible]	1 077 200 [illegible]	55 292 970 [illegible]	100 000

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1965
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMSTR	TRUSTEE	GUARDIAN	CONSTABLE	TOTAL	PER CENT
THE LOUISVILLE TRUST COMPANY	1 337 000 14*	43 000 6*	1 360 000 9*	194 500 35*	589 000 68*	3 523 500 132*	7 410
CITIZENS FIDELITY BANK & TRUST CO	4 698 000 35*	7170007 21*	1 367 000 26*	54 500 4*	81 500 9*	6 918 000 91*	14 543
KENTUCKY TRUST COMPANY	2 682 000 29*	869 500 19*	4 035 000 16*		262 000 7*	14 838 500 71*	31 205
LIBERTY NATIONAL BK & TRUST CO	1 975 000 19*	371 500 19*	490 500 9*	54 000 9*	202 000 4*	3 293 000 60*	6 925
LINCOLN BANK & TRUST CO	1 208 000 10*	268 000 12*	115 500 3*	4 500 2*	25 000 1*	1 617 000 28*	3 401
Individuals - - - - $10000 and over	11 125 500 285*	1 494 500 51*	417 000 8*	205 000 14*	239 500 11*	13 481 500 369*	28 351
Under $10000	1 589 800 425*	1 477 375 598*	68 500 15*	553 070 109*	195 750 73*	3 879 995 1 520	8 160
TOTALS	31 615 300 817*	5 227 375 726*	8 053 500 86*	1 070 570 473*	1 581 750 150*	47 551 495 2 271*	100 00

* - Number of Cases

16 - 19 - O 905-814

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1954
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	2 653 000 17*	720 500 11*	210 000 7*	129 500 33*	160 000 38*	3 873 000 106*	8 710
CIT-FID BK AND TRUST CO	7 620 500 30*	1 122 000 27*	2 455 000 23*	72 500 6*	241 000 2*	11 511 000 88*	25 886
KENTUCKY TRUST CO	3 547 000 23*	208 000 10*	1 586 000 27*	121 000 3*	84 000 7*	5 546 000 70*	12 472
LIBERTY NATL BK AND TR	1 501 000 25*	156 000 12*	565 000 9*		40 000 4*	2 262 000 50*	5 087
LINCOLN BK AND TRUST CO	380 000 9*	158 000 7*	1 255 000 8*		237 000 2*	2 031 000 26*	4 567
U S TRUST CO	25 000 1*	6 500 1*				31 500 2*	071
INDIVIDUALS---- 10M AND OVER	11 580 500 % 290*	1 772 600 84*	1 634 500 20*	233 000 13*	364 700 16*	15 585 300 403*	35 048
UNDER 10M	1 493 100 420*	1 331 650 532*	55 000 12*	519 115 400*	229 200 126*	3 628 065 1 490*	8 159
TOTALS	28 800 100 815*	5 476 250 894*	7 760 500 108*	1 075 115 455*	1 355 900 195*	44 467 865 2 235*	100 000

* NUMBER OF CASES

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1941
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST COMPANY	2,011,000 12•	75,500 7•	742,350 8•	128,000 2•	161,000 3•	3,110,050 91•	7.65
CITIZENS FIDELITY BK AND TR CO	1,142,000 17•	654,600 18•	1,735,500 21•	53,000 1•	298,500 8•	4,183,600 71•	10.25
KENTUCKY TRUST CO.	3,536,000 23•	127,500 11•	3,065,000 22•	26,000 8•	356,000 5•	7,162,500 69•	17.54
LIBERTY BANK AND TRUST CO.	2,261,000 25•	421,500 16•	667,500 6 •	184,000 2•	105,000 5•	3,612,800 51•	8.92
LINCOLN BANK AND TRUST CO.	1,005,000 9•	88,500 9•	2,140,000 13•	12,000 2•	310,000 3•	3,855,500 36•	9.44
UNITED STATES TRUST CO.	19,000 2•	22,000 1•	85,000 4•			126,000 7•	.31
INDIVIDUALS----							
10000 AND OVER	12,193,502 312•	1,631,750 87•	832,000 13•	177,000 8•	242,500 9•	15,076,752 409•	36.93
UNDER 10000	1,512,200 418•	1,343,965 536•	45,000 7•	524,355 377•	203,300 115•	3,658,820 1,147•	8.96
TOTALS	24,062,502 812•	4,360,315 665•	9,612,350 97•	1,101,355 430•	1,679,300 183•	40,826,822 2,187	100.00

•----Numbers of cases

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1952
COMPILED FROM BONDS EXECUTED IN JEFFERSON COUNTY COURT - LOUISVILLE, KY

	EXECUTOR	ADMNSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	1 324 100 14*	118 600 7*	700 000 3*	142 600 33*	176 700 29*	2 462 000 86*	5 972
CIT-FID BK AND TR CO	9 404 500 30*	1 118 200 21*	1 579 000 18*	157 000 8*	92 000 4*	12 350 700 79*	29 960
KENTUCKY TRUST CO	6 975 200 16*	360 000 5*	625 000 6*	605 000 3*	71 000 6*	8 536 200 36*	20 707
LIBERTY NATL BK/TR CO	394 300 19*	151 000 9*	150 000 3*	3 000 2*	40 000 2*	938 300 35*	2 276
LINCOLN BK AND TR CO	1 843 000 12*	149 000 8*	110 000 4*		70 000 2*	2 272 000 24*	5 511
UNITED STATES TR CO	33 000 2*	200 000 1*	42 000 1*		5 000 1*	280 000 5*	679
INDIVIDUALS -----							
10M AND OVER	8 044 000 219*	2 150 000 81*	240 000 6*	179 000 10*	351 900 9*	10 884 900 325*	26 355
UNDER 10M	1 409 600 418*	1 421 485 611*	54 800 11*	459 470 392*	171 360 115*	3 520 715 1 545*	8 540
TOTALS	29 727 700 738*	5 572 285 741*	3 500 000 52*	1 546 070 446*	977 960 168*	41 224 815 2 135*	100 000

* NUMBER OF CASES

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1931
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	194 500 12 ☆	512 000 5 ☆	250 000 3 ☆	52 000 18 ☆	83 500 21 ☆	1 092 000 59 ☆	3 895
CIT-FID BANK AND TRUST CO	3 584 500 24 ☆	955 500 26 ☆	2 089 400 18 ☆	615 000 3 ☆	187 500 8 ☆	6 878 400 79 ☆	24 532
KENTUCKY TRUST CO	2 133 000 18 ☆	471 500 10 ☆	1 000 000 6 ☆	26 000 6 ☆	16 000 2 ☆	3 646 500 42	13 005
LIBERTY NATL BK AND TR CO	664 500 15 ☆	390 000 17 ☆	286 000 11 ☆	9 000 3 ☆	3 000 1 ☆	1 352 500 47	4 824
LINCOLN BANK AND TRUST CO	517 500 10 ☆	147 500 14 ☆	480 000 7 ☆	60 500 4 ☆	3 000 1 ☆	1 208 500 36	4 310
UNITED STATES TRUST CO	58 000 2 ☆	23 000 2 ☆				81 000 4 ☆	289
INDIVIDUALS——							
10M AND OVER	8 466 000 219 ☆	979 500 51 ☆	477 000 11 ☆	392 000 11 ☆	220 000 8 ☆	10 534 500 300 ☆	37 571
UNDER 10M	1 304 000 390 ☆	1 243 255 573 ☆	57 700 12 ☆	442 250 442 ☆	198 050 112 ☆	3 245 255 1529 ☆	11 574
TOTALS	16 922 000 690 ☆	4 722 255 698 ☆	4 640 100 68 ☆	1 043 250 487 ☆	711 050 153 ☆	28 038 655 2096 ☆	100 000

☆ - NO OF CASES

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1950
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINISTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	280 000 4 ☆	536 000 7 ☆	255 000 3 ☆	63 600 19 ☆	305 500 30 ☆	1 440 300 71 ☆	6 366
CITIZENS BANK AND TRUST CO	2 323 900 19 ☆	641 000 19 ☆	3 366 000 30 ☆	23 000 2 ☆	37 500 3 ☆	6 791 000 53 ☆	30 014
KENTUCKY TRUST CO	97 000 2 ☆	382 500 11 ☆	1 635 000 13 ☆	426 500 5 ☆	165 000 3 ☆	2 716 000 40 ☆	12 004
LIBERTY BK AND TRUST CO	511 500 9 ☆	79 000 11 ☆	196 000 7 ☆	7 000 1 ☆	39 000 5 ☆	832 500 36 ☆	3 679
LINCOLN BK AND TRUST CO	323 000 5 ☆	70 500 6 ☆	60 000 2 ☆	65 000 2 ☆	40 000 2 ☆	558 500 17 ☆	2 466
UNITED STATES TRUST CO	132 000 2 ☆	57 500 3 ☆	85 000 1 ☆			274 500 6 ☆	1 213
INDIVIDUALS— 10¢ AND OVER	3 692 500 119 ☆	963 700 59 ☆	2 366 000 13 ☆	103 000 6 ☆	398 500 9 ☆	7 523 700 205 ☆	33 252
UNDER 10¢	663 050 198 ☆	1 113 700 315 ☆	85 500 3 ☆	541 650 540 ☆	145 750 122 ☆	2 459 650 1380 ☆	11 004
TOTALS	8 422 550 364 ☆	3 853 900 630 ☆	7 988 500 54 ☆	1 229 950 578 ☆	1 131 250 182 ☆	22 626 150 1808 ☆	100 000

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1940
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	277 000 6 ☆	101 000 7 ☆	210 000 2 ☆	19 000 8 ☆	81 000 29 ☆	688 000 52 ☆	2 32
CITIZENS FIDELITY BK AND TR	3 299 280 29 ☆	869 700 26 ☆	2 497 000 26 ☆	115 500 5 ☆	3 000 1 ☆	6 784 480 85 ☆	22 87
KENTUCKY TRUST CO	2 678 000 15 ☆	143 500 8 ☆	962 000 10 ☆	114 800 6 ☆	60 000 5 ☆	3 958 300 44 ☆	13 34
LIBERTY BANK AND TR CO	792 500 25 ☆	262 500 12 ☆	959 000 12 ☆	24 000 5 ☆	22 500 6 ☆	2 060 500 60 ☆	6 95
LINCOLN BANK AND TR CO	2 907 000 13 ☆	133 400 12 ☆	595 000 7 ☆	6 000 1 ☆		3 641 400 33 ☆	12 28
UNITED STATES TRUST CO	153 500 6 ☆	7 600 4 ☆	5 000 1 ☆			166 100 11 ☆	56
INDIVIDUALS 10000 AND OVER	7 726 500 193 ☆	859 500 46 ☆	629 000 8 ☆	43 000 3 ☆	58 000 5 ☆	9 321 000 255 ☆	31 42
INDIVIDUALS	1 213 900 328 ☆	1 283 965 585 ☆	25 200 6 ☆	363 065 465 ☆	156832 109 ☆	3 044 962 1 493 ☆	10 26
TOTALS	19 047 600 615 ☆	3 661 165 698 ☆	5 882 200 72 ☆	690 365 493 ☆	383 332 155 ☆	29 664 762 2 033 ☆	100 00

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1948
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	522,500 11 ★	70,500 7 ★	35,250 4 ★	19,000 12 ★	86,900 26 ★	734,150 60 ★	2 524
CITIZENS-FIDELITY BANK AND TRUST CO	6,181,650 26 ★	764,500 15 ★	2,758,000 30 ★		181,000 5 ★	9,885,150 76 ★	33 984
KENTUCKY TRUST CO	909,500 15 ★	630,000 13 ★	479,000 7 ★	12,000 2 ★	55,500 6 ★	2,166,000 43 ★	7 447
LIBERTY HATL BK AND TRUST CO	201,000 11 ★	374,000 13 ★	200,000 4 ★	20,400 5 ★	36,000 2 ★	831,400 35 ★	2 858
LINCOLN BANK AND TRUST CO	1,524,500 14 ★	195,000 11 ★	765,000 8 ★	11,000 2 ★	544,000 4 ★	3,039,500 39 ★	10 450
UNITED STATES TRUST CO	23,500 3 ★	40,400 4 ★	10,000 1 ★	4,700 2 ★	25,000 3 ★	103,600 13 ★	356
INDIVIDUALS 10,000 AND OVER	8,846,000 206 ★	958,000 51 ★	146,000 8 ★	164,000 9 ★	94,500 6 ★	10,208,500 280 ★	35 096
INDIVIDUALS LESS THAN 10,000	368,800 407 ★	1,137,300 345 ★	37,800 10 ★	399,400 460 ★	175,800 119 ★	2,119,100 1,541 ★	7 285
TOTALS	18,657,450	4,169,700	4,431,050	630,500	1,198,700	29,087,400	100 000
NO OF CASES	695 ★	659 ★	72 ★	492 ★	171 ★	2 087	

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1947
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	435 000 16 ☆	235 800 9 ☆	164 000 2 ☆	6 500 3 ☆	26 500 12 ☆	867 500 42 ☆	2 97
CITIZENS FIDELITY BK AND TR	4 561 000 31 ☆	897 100 25 ☆	3 626 000 27 ☆	27 000 3 ☆	116 000 5 ☆	9 227 100 91 ☆	31 56
KENTUCKY TRUST CO	916 000 13 ☆	835 000 11 ☆	193 000 6 ☆	3 500 1 ☆	9 000 2 ☆	1 956 500 33 ☆	6 69
LIBERTY NATL BK AND TR CO	1 841 500 25 ☆	284 600 21 ☆	611 600 14 ☆	6 700 3 ☆	9 500 3 ☆	2 753 900 66 ☆	9 42
LINCOLN BANK AND TRUST CO	251 000 8 ☆	41 500 4 ☆	415 000 4 ☆	2 500 1 ☆	10 000 1 ☆	720 000 18 ☆	2 46
UNITED STATES TRUST CO	565 000 5 ☆	69 000 5 ☆	435 000 2 ☆	3 000 1 ☆		1 072 000 13 ☆	3 67
INDIVIDUALS-- 10000 AND OVER	5 881 000 174 ☆	905 000 46 ☆	2 680 500 11 ☆	131 000 8 ☆	72 000 5 ☆	9 669 500 244 ☆	33 06
INDIVIDUALS-- UNDER 10000	1 262 800 400 ☆	1 236 030 567 ☆	53 375 14 ☆	322 647 406 ☆	98 100 88 ☆	2 972 952 1475 ☆	10 17
TOTALS	15 713 300 672 ☆	4 503 730 688 ☆	8 178 475 80 ☆	502 847 426 ☆	341 100 116 ☆	29 239 452 1982 ☆	100 00

☆ - NUMBER OF CASES

ON MAY 15, 1947 WE QUALIFIED IN SHELBY COUNTY COURT
AS TRUSTEE U/W OF WALTER H GIRDLER, SR -- 700 000

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1946
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	339,000 7 ☆	155,000 10 ☆	595,000 4 ☆	65,500 18 ☆	46,100 23 ☆	1,200,600 62 ☆	4 50
CITIZENS,FID BK AND TR CO	6,869,500 37 ☆	597,000 14 ☆	1,347,700 25 ☆	105,000 3 ☆		8,919,200 79 ☆	33 42
KENTUCKY TRUST CO	1,118,000 13 ☆	347,600 13 ☆	657,000 7 ☆	67,000 5 ☆	4,500 2 ☆	2,194,100 40 ☆	8 22
LIBERTY NATL BK AND TR CO	655,700 16 ☆	139,000 11 ☆	731,500 10 ☆	3,200 4 ☆	61,000 5 ☆	1,590,400 46 ☆	5 96
LINCOLN BANK AND TRUST CO	610,000 8 ☆	121,200 5 ☆			30,000 2 ☆	761,200 15 ☆	2 85
UNITED STATES TRUST CO	185,000 3 ☆	149,000 7 ☆	7,000 1 ☆	2,500 1 ☆	20,000 1 ☆	363,500 13 ☆	1 36
INDIVIDUALS 10000 AND OVER	7,646,000 187 ☆	347,600 47 ☆	380,000 9 ☆	68,000 2 ☆	172,000 4 ☆	8,613,600 249 ☆	32 28
INDIVIDUALS	1,301,950 414 ☆	1,318,270 609 ☆	42,400 10 ☆	251,473 328 ☆	131,450 109 ☆	3,045,543 1,470	11 41
TOTALS	18,725,150	3,174,670	3,760,600	562,673	465,050	26,688,143	100 00
NUMBER OF CASES	685 ☆	716 ☆	66 ☆	361 ☆	146 ☆	1,974 ☆	

RECORD OF QUALIFICATIONS OF FIDUCIARIES IN JEFFERSON COUNTY FOR YEAR 1945
COMPILED FROM BONDS EXECUTED BY FIDUCIARIES IN COURTS OF JEFFERSON COUNTY

	EXECUTOR	ADMINSTR	TRUSTEE	GUARDIAN	COMMITTEE	TOTAL	PER CENT
THE LOUISVILLE TRUST CO	511,500 8 ☆	101,700 9 ☆	105,000 4 ☆	15,250 9 ☆	15,000 7 ☆	748,450 37 ☆	3 51
CITIZENS-FID BK AND TR CO	2,953,500 24 ☆	445,000 17 ☆	1,603,000 26 ☆	90,500 6 ☆	25,000 1 ☆	5,117,000 74 ☆	23 97
KENTUCKY TRUST CO	1,165,800 17 ☆	279,000 6 ☆	686,000 11 ☆	20,000 1 ☆	14,000 3 ☆	2,164,800 38 ☆	10 14
LIBERTY NATL BK AND TRUST CO	416,500 13 ☆	213,000 19 ☆	159,000 5 ☆	50,000 2 ☆	22,000 2 ☆	860,500 41 ☆	4 03
LINCOLN BANK AND TRUST CO	345,000 7 ☆	312,500 5 ☆	126,000 3 ☆	86,000 2 ☆	25,000 1 ☆	894,500 18 ☆	4 19
UNITED STATES TRUST CO	88,500 2 ☆	60,000 1 ☆	202,000 5 ☆	50,000 1 ☆	114,500 3 ☆	515,000 12 ☆	2 41
INDIVIDUALS 10000 AND OVER	6,262,500 155 ☆	1,467,600 59 ☆	185,000 7 ☆	138,000 10 ☆	183,000 4 ☆	8,236,100 235 ☆	38 59
INDIVIDUALS UNDER 10000	1,238,650 412 ☆	1,102,920 618 ☆	42,925 13 ☆	298,660 388 ☆	124,725 92 ☆	2,807,880 1,523	13 16
TOTALS	12,981,950	3,981,720	3,108,925	748,410	523,225	21,344,230	100 00
NUMBER OF CASES	638	734	74	419	113	1,978	

[1533] *In United States District Court*
DEFENDANT EXHIBIT 93

CERTIFICATE

TREASURY DEPARTMENT)
Office of) ss:
Comptroller of the Currency)

I, Ray M. Gidney, Comptroller of the Currency, do hereby certify that document hereto attached is a true and complete copy of an Advance Extract the 1961 Annual Report to the Congress of the Comptroller of the Currency.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of the Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 26th day of May, A. D. 1961.

Comptroller of the Currency

[1534]

ADVANCE EXTRACT

FROM

ANNUAL REPORT TO THE CONGRESS

OF

THE COMPTROLLER OF THE CURRENCY

[1535]

ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY

* * * * * * * * * * * * *

Table No. — Consolidations of national banks, or national and state banks, during the year ended December 31, 1961, under sec. 1, 2, and 3 of the act of Nov. 7, 1918, as amended.

	Capital Stock	Surplus	Undivided Profits	Total Assets
First National Bank and Trust Company of Lexington, Lexington, Kentucky, with	$1,250,000	$1,250,000	$2,456,111	$51,419,801
and Security Trust Company Lexington, Kentucky, with.....	$1,000,000	$1,200,000	$ 901,919	$19,751,883
consolidated March 1, 1961 under charter of First National Bank and Trust Company of Lexington and title of "First Security National Bank and Trust Company of Lexington." The consolidated bank at the date of consolidation had.....	$2,500,000	$2,500,000	$3,098,030	$81,171,684

SUMMARY OF REPORT BY THE ATTORNEY GENERAL

* * * * * * * * * * * * *

BASIS FOR APPROVAL

The financial history and condition of each of the banks involved was excellent. Both had records of long and successful operation and both had high standing in the community. The adequacy of capital stock and future earning prospects were excellent. The general character of management which would be provided in the combined institution would be of high grade and strengthened by the consolidation. The convenience and needs of the community would be served better by the combined institutions than by their operation as separate entities.

The State of Kentucky in recent years has enjoyed very important industrial growth and outstanding national companies have moved portions of their operations to the State. The industrial banking situation in Lexington has been affected in material degree by this fact. It is clear that Lexington is of growing importance in the industrial field, and the State of Kentucky is having a new birth of modern high-grade industrial development. This makes desirable and necessary the development of banks large enough and with sufficient strength of organization to attract and hold deposits of the larger companies which have come and will come to Kentucky.

All of the factors above mentioned were definitely favorable to approval of this consolidation.

As to the competitive factors, it was believed that the effect of the proposed consolidation on competition would not be unhealthy locally and that as regards state and interstate relationships, it would be definitely beneficial. While the combined bank would be the largest institution in the City of Lexington, having 53 per cent of deposits, the other four institutions have had good growth in recent years and should continue to hold their own and make progress after the consolidation.

Comments relative to the concentration of trust business in the two institutions must be viewed in the light of the fact that this represents the accumulation of many years in which the other banks took little or no part in this field, and that currently they are receiving substantial amounts of this type of business. Also it is of importance that a major portion of the new trust business developed in Fayette County in recent years has been handled by individual trustees.

Thus it appeared that the consolidation would not adversely affect competition and that the economic welfare of the Lexington community and the State of Kentucky would be served by its consummation.

Accordingly, it was found that the proposed transaction would be in the public interest.

[1537] *In United States District Court*
DEFENDANT EXHIBIT 94

Listing by year, 1940 through 1961, inclusive of individuals qualifying as Executor, Administrator with the will annexed and Administrator where Fayette County Court required no bond.

Year	No. of individual qualifications without bond
1940	12
1941	15
1942	25
1943	25
1944	41
1945	29
1946	56
1947	37
1948	45
1949	36
1950	67
1951	77
1952	88
1953	68
1954	130
1955	188
1956	124
1957	204
1958	182
1959	220
1960	117
1961	245

SOURCE: Survey of Probate records of Fayette County Court for years 1940-1961.

[1538] *In United States District Court*
DEFENDANT EXHIBIT 96

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
AT LEXINGTON

UNITED STATES OF AMERICA, Plaintiff	)	
v.	)	Civil Action No. 1424
FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY, and FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, Defendants	)	

STIPULATION

It is stipulated that as of December 31, 1961, the four largest banks in Louisville, Kentucky, and the three largest banks in Cincinnati, Ohio, held correspondent bank deposits in the aggregate sum of $133,207,756.83 from banks which are listed on the attached four pages and which are located in the same geographical area that First National Bank and Trust Company of Lexington held correspondent bank deposits from as of December 31, 1960. As of December 31, 1960, First National Bank and Trust Company of Lexington held correspondent bank deposits from 58 of the banks shown on the attached list and as of December 31, 1961, First Security National Bank and Trust Company had correspondent bank deposits from 60 of said banks. The foregoing total of

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$133,207,756.83 includes correspondent bank deposits from banks located in Fayette County, Kentucky.

It is also stipulated that many of the banks listed on the attached four pages maintained correspondent bank deposits in banks located in both Louisville and in Cincinnati and in some instances in more than one bank in Louisville or in Cincinnati, but the exact extent of such is unknown for each.

GEORGE J. MITCHELL,
Attorneys for plaintiff.
GLADNEY HARVILLE,
Attorneys for defendants.

[1540]

ASHLAND

The Second National Bank of Ashland
The Third National Bank of Ashland

BAGDAD

Peoples Bank of Bagdad

BARBOURVILLE

The American Fidelity Bank
Union National Bank

BEATTYVILLE

Peoples Exchange Bank

BEREA

Berea Bank & Trust Company
Berea National Bank

BERRY

Union Bank of Berry

BOONEVILLE

Farmers State Bank

BROOKHEAD

Citizens Bank

BURGIN

Citizens Bank

CAMPBELLSBURG

United Farmers Bank

CAMPTON

Farmers & Traders Bank

CARLISLE

Deposit Bank of Carlisle
The First National Bank of Carlisle

CUMBERLAND

The Guaranty Deposit Bank

CYNTHIANA

Farmers National Bank
The Harrison Deposit Bank & Trust Company
The National Bank of Cynthiana

DANVILLE

The Citizens National Bank
Farmers National Bank

DRY RIDGE

Citizens Bank

EMINENCE

Farmers Deposit Bank

EUBANK

The First State Bank

FLEMINGSBURG

Farmers-Deposit Bank
The Peoples Bank of Fleming County

FRANKFORT

Farmers Bank & Capital Trust Company
The State National Bank

GEORGETOWN

Farmers Bank & Trust Company
The First National Bank of Georgetown
Georgetown National Bank

GERMANTOWN

Bank of Germantown

GRATZ

Gratz Deposit Bank

GRAVEL SWITCH

Peoples Bank

GRAYSON

Commercial Bank of Grayson
The First National Bank of Grayson

[1541]

HARRODSBURG

Mercer County National Bank
The State Bank & Trust Company

HAZARD

Citizens State Bank
Peoples Bank

HINDMAN

Bank of Hindman

HUSTONVILLE

The National Bank of Hustonville
The Peoples Bank of Hustonville

HYDEN

The Hyden Citizens Bank

INEZ

The Inez Deposit Bank

IRVINE

Union Bank & Trust Company

JACKSON

The First National Bank

JUNCTION CITY

Citizens Bank

KIRKSVILLE

The Farmers Bank

LANCASTER

The Garrard Bank & Trust Company
The National Bank of Lancaster

LAWRENCEBURG

The Anderson National Bank
Lawrenceburg National Bank

LEBANON

The Citizens National Bank
Farmers National Bank
The Marion National Bank

LEXINGTON

Bank of Commerce
Citizens Union National Bank & Trust Co.
Second National Bank & Trust Co.
Central Bank

LIBERTY

The Casey County Bank

LONDON

First National Bank in London
Second National Bank of London

LORETTO

Bank of Loretto

LOUISA

The First National Bank

MCKEE

Jackson County Bank

MARTIN

The First Guaranty Bank

MIDDLEBURG

Farmers Deposit Bank

MIDDLESBORO

The Commercial Bank
The National Bank of Middlesborough

MILLERSBURG

Farmers-Exchange Bank

MONTEREY

The First State Bank

MOREHEAD

The Citizens Bank
Peoples Bank of Morehead

MOUNT STERLING

The Exchange Bank of Kentucky
The Montgomery National Bank
The Mt. Sterling National Bank
The Traders National Bank

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MT. VERNON

The Bank of Mt. Vernon

NEON

The Bank of Neon

NICHOLASVILLE

The Farmers Bank
First National Bank

NORTH MIDDLETOWN

North Middletown Deposit Bank

OLIVE HILL

Peoples Bank

OWENTON

Farmers Bank
The First National Bank in Owenton
Peoples Bank & Trust Company

OWINGSVILLE

Farmers Bank
Owingsville Banking Company

PAINT LICK

Peoples Bank

PAINTSVILLE

Citizens National Bank
The First National Bank of Paintsville

PARIS

Bourbon-Agricultural Bank & Trust Co.
The National Bank & Trust Co. of Paris
Peoples Deposit Bank & Trust Company

PERRYVILLE

The Old Bank

PIKEVILLE

The Citizens Bank of Pikeville
The First National Bank
Pikeville National Bank & Trust Co.

PINEVILLE

First State Bank

PRESTONSBURG

The Bank Josephine
The First National Bank

RICHMOND

Madison National Bank
State Bank & Trust Company

SABINEVILLE

Farmers-Deposit Bank

SALT LICK

Salt Lick Deposit Bank

SALYERSVILLE

The Salyersville National Bank

SANDY HOOK

People's Bank

SCIENCE HILL

The Peoples Bank

SHARPSBURG

Citizens Bank

SHELBYVILLE

Bank of Shelbyville
Citizens Bank
Farmers & Traders Bank
Shelby County Trust & Banking Company

SOMERSET

The Citizens National Bank
The First & Farmers National Bank

SPRINGFIELD

First and Peoples Bank
The Springfield State Bank

STANFORD

The Lincoln County National Bank

STANTON

Powell County Bank

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VERSAILLES

United Bank & Trust Company
The Woodford Bank and Trust Co.

WACO

The Waco Deposit Bank

WEST LIBERTY

Commercial Bank

WHITESBURG

The Bank of Whitesburg

WHITLEY CITY

Bank of McCreary County

WILLIAMSBURG

Bank of Williamsburg
Farmers National Bank

WILLIAMSTOWN

Bank of Williamstown
The Grant County Deposit Bank

WINCHESTER

The Clark County National Bank
Commercial Bank
The Winchester Bank

In United States District Court
DEFENDANT EXHIBIT 96

SELECTED STATISTICS FOR LEXINGTON & FAYETTE COUNTY

	LEXINGTON			FAYETTE COUNTY		
Population	1950	1960	% change	1950	1960	% change
	55,534	62,810	13	100,746	131,906	31
Employment	1950	1960	% change	1950	1960	% change
Total	22,051	24,154	10	37,685	49,750	32
Mfg.	1,943	3,041	57	3,400	7,538	122
Retail Sales	1948	1958	% change	1948	1958	% change
	$98,270,000	$143,488,000	46	$105,624,000	$170,427,000	61
Median family Income	1950	1959	% change	1950	1959	% change
	$ 2,429	$ 3,995	64	$ 2,733	$ 5,377	97

Sources: Population, Employment, Income
1950 Census of Population --Volume II, Part 17.
1960 Census of Population -=Final Report PHC (1) - 77,

Retail Sales
1958 Census of Business Report BC 58 - RA 17
1954 Census of Buviness Volume II, Part 1

February 20, 1962

[1545] *In United States District Court*

DEFENDANT EXHIBIT 97

LEXINGTON

FAYETTE CO. KENTUCKY

1939–42

ESTATES OVER $5,000

SUMMARY

	Number	Percent
Total number of estates	175	100
Total dollar volume	$6,484,653	100
Average size, these estates	$37,053	
Number of corporate executorships	25	16.1
Volume of corporate executorships	$1,415,051	21.8
Average size, these estates	56,602	
Number of individual executorships	75	
Volume of individual executorships	$3,101,759	47.8
Average size, these estates	$41,357	
Total intestacies	72	
Volume of intestacies	$1,832,598	28.3
Intestacies % of all estates	41.1%	
Total estimated fees at *5.0%*	$324,233	
Total fees lost by banks	246,718	
Average loss by banks *per month*	$5,140	

NOTE: There were three estates with co-executors included in the total: One estate with co-executors including the Bank of Comm. amounting to $15,126.

One estate with co-executors including The First National Bank amounting to $43,720.

One estate with co-executors including The Citizens Bank amounting to $76,399.

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LEXINGTON

FAYETTE CO. KENTUCKY

1939–42

ANALYSIS BY CORPORATE EXECUTORSHIPS

Bank	*Number*	*Volume*
The Security Trust Company	17	$1, 130, 478
The Union Bank and Trust Company	4	201, 521
The First National Bank	4	82, 952

In one case the First National Bank was co-executor in an estate amounting to $43,720.

The Citizens Bank was co-executor in one case. The estate amounts to $76,399.

The Bank of Comm. was co-executor in one case the estate amounting to $15,126.

713-306 O - 63 - 4a

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FAYETTE COUNTY, KENTUCKY

1951

Estates $5,000 and over

Deceased	Gross estate	Admr. or executor	Bank connection
John D. Reddin	13,681	Frieda Reddin	6745.84 Citizens
Samuel Chipman	(A)41,689	Omer Chipman, Ernest Gray, Co-admr.	3864.89 Com. (2)
Emma O. Lewis	181,288	J. Craig Bradley	4639.12 FNB and 21 shs 146.04 Union
Rose L. Ginocchio	(A)7,082	John B. Ginocchio	3782.63 FNB
J. W. Riley	11,127	Elizabeth C. Riley	102.61 Central
Andrew S. Moore	25,667	W. Patterson Moore	161.26 Union
J. J. Fitzgerald	*35,241	First National Bank	34,741 business interest balance personality
Nell D. Reid	19,986	Francis R. Shaver	627.05 Security
Mary B. H. Burt	(A)159,019	Mary B. LeBus, Marion B. Lasalli, Co-admr.	4916.32 Security
Hal H. Rady	*11,144	Georgia E. Nunvar and FNB—Admr CTA	800.94 FNB as Committee for HHE
Anna Coyne	26,947	Frank L. McCarthy	3249.23 Security, 603.20 Cit, 128.29 FNB
Douglas Thompson	93,579	Eva F. Thompson	12,982.65 Security, 65,989.56 Second Natl
Pauline P. Skillman	*109,482	Henry Skillman, FNB, Co-exec.	5811.98 Second Natl
Annie S. Crosthwaite	40,907	Dale R. Booth	4305.26—"Cash in bank"
Alonzo W. Fortune	43,758	Carl H. Fortune	425.70—Security
J. L. Rue	*23,782	FNB Admr CTA	9943.86 FNB
J. L. Vallandengham	39,321	Leona S. Vall ndengham	14,026.38 Union (3)
George F. Willmott	73,201	Sarah K. Willmott	629.55 Second National, 122.99 Commerce
J. R. Sanders	11,750	Francis H. Sanders	
Talbott Clay	(*)50,681	Bo Agri B & T, Paris	428.04 Second National, 25 shs Bo Agri B & T
Nicholas Soho	*22,936	FNB	9,456.79 FNB (2), s/d box
Joe Winer	(A)93,634	Bessie Winer	2291.12 FNB, 2,043.87 Security, 955.37 Com, 704.82 Citizens
Bertie B. Chandler	(A)21,732	Walter L. Brock, Jr.	1182.17 FNB

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Sale D. Averitt	*23,685	FNB Admr CTA	7783.82 FNB
Leroy M. Land	(A)99,474	J. Porter Land, Luther M. Land & W. F. Land, Co-adm	1494.79 Com. also 2 shs 2194.82 FNB
O. D. Randolph	*202,699	Bk of Commerce	19,183.73 Com (2) & 110 shs Incl. 115,400 in RE
Albin S. Pilkington	82,374	Nell C. Pilkington	1264.97 FNB 71.30 Com
E. Boyd Reynolds	14,151	Ella F. Reynolds	1405.80 Union
Arthur D. Robertson.	89,415	Nola A. Robertson	121.80 Citizens & 9 shs 1183.82 Second Natl
Kate C. Henderson	18,194	Clifford Hatton	1894.90 Union & 30 shs 9129.97 FNB (2)
Mary M. Lyons	47,180	William H. Lyons	480.02 FNB
Margaret L. Price	*107,311	Security Trust	23,745.75 Security (2)
J. P. Wright	*85,321	FNB	891.66 FNB & 11 shs 539.72 Second Natl
Elmer Estes	5,703	Jessie B. Estes	18.69 "Bank account"
Mary L. Atkins	12,388	J. W. Atkins, Sr.	
R. D. Collins	6,014	Harry Tucker	30.26 security
A. M. Combs	30,074	W. F. Brown	4234.78 Bank Account
John W. Skaggs	11,602	Matt T. Blackard	136.60 Commerce 411.17 Central
Harkness Edwards	(87,709	Mary S. Edwards	756.02 Second National
Ulysses G. Fleming	(A)30,138	Andrew S. Mitchell	9683.80 Second National
Bernard Katzky	*32,000	FNB	
W. H. Biggerstaff	*19,278	Union	10,652.70 Union
Joe Carter	36,462	Henry S. Carter	2,070.90 "Cash in Bank"
George Dixon	6,465	W. K. Stephens	3,084.45 Commerce
Lula Bell	5,606	Leslie H. Lewis	3,382.14 Commerce (2)
Mary Newton	6,073	Bessie Speak, Admr WWA.	6073.15 Cit & Second
Louise A. Headley	*95,205	D. A. Headley, FNB, Co-exec.	2761.02 FNB
John L. Haynes	7,681	Donald H. Evans	2965.04 Second Natl
Paul E. Gilfoy	(A)5,057	James E. Gilfoy	
Howard G. Early	61,180	Margaret C. Early, Jane E. Snyder, Co-exec.	7097.89 "Cash in bank & on hand"
Lila S. McLandon	(A)94,360	Lila M. Farris	8447.28 "Cash in bank"

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Jennie Simon	144,865	Henry T. Duncan, Benjamin Levy, Co-exec.	3983.99 Comm.
Fox Turner	82,062	Mrs. Scottie Turner	13,096.15 FNB (2).
Eva Veale	10,876	Finnell O. Veale	5410.22 FNB & Comm.
Mary Comley	(A)94,860	Oscar Comley	300 Comm. 15,192.22 Cit & 17 shs & s/d
Meredith M. Gary	(*)89,882	Bank of Maysville	645.65 FNB (92.51 Bk of Maysville & 8 shs.
Robert Adams	80,736	Zelkba Adams	2736.60 Second Natl.
Emma J. Gilbert	(A)23,714	Eliz. D. Williamson	263.34 Comm.
Stella M. Wood	19,301	O. C. Boone	4,578.22 Union (2).
Ben F. Crimm	(*)82,577	Security Trust Co.	2,015.69 Security. 5,267.19 Central.
Samuel D. Riddle (not included in totals).	7,604,478	Pat Oneill, Mgr Fairway Farms.	791.09 of this rep value of horses (100M 1 stallion).
C. D. Caruthers	*(A)18,134	Citizens B & T	561.08 Cit.
Stephen E. Schofield	(A)9,389	Mrs. Frank Columbia.	
Elisa Grimmer	(A)9,050	Marguerite G. Simpson.	1709.91 FNB.
Pete Dailey	(A)12,029	Margaret Dailey	1468.86 Comm.
Minnie J. Kincaid	(A)24,989	G. D. Kincaid	
Harriett P. Ecton	21,963	T. C. Ecton	
Mary Tooley	22,835	Frank L. McCarthy	1088.61 Second National.
Josephine H. Hale	21,488	Edward C. Hale, Loretta H. Baker Co-exec.	3,967.05 Comm. (3).
Andrew F. Hensey	5,583	George H. Scott Admr wwa.	5,563.13 Central.
Larkin A. Powell	*(A)9,784	Citizens B & T	19.00 Second Natl.
Isabelle A. Harkins	9,712	Charlotte H. Gardner.	2,212.57 Comm. (2).
Albert Galliher	12,743	Maurie V. Galliher	467.81 FNB.
George C. Roberts, Sr.	10,958	Geo. C. Roberts, Jr.,	108.82 "Cash in bank".
Katherine Welch	11,551	Ernest A. Welch	6164.24 FNB & 62 shs.
Woolfolk Henderson	*73,057	Security Tr Co	5013.83 Union & 20 shs. 22176.00 Security & 124 shs.
Sallie Baxter	14,698	John S. Baxter	3638.51 Comm.

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Ada K. Fishback	9,808	Adaline Wichman Admr. WWA	2532.76 FNB (2)
Rodes Arnspiger	40,217	Richard Arnspiger	3079.22 Com (2) & 13 shs 363.35 Cit. & 24 shs 297.03 Union & s/d box
Thomas D. Kelley	*50,840	Security Tr. Co. Admr. WWA	9015.81 Security 9092.19 Comm., 5000.00 FNB
Wm. M. Yent	36,467	Birdie T. Yent	9 shs Citizens
Roddie W. Broaddus	(A)7,525	Louise B. Farra	
James A. Williams	15,461	May Williams	2,915.85 Security
James D. Brumagen	(A)7,721	Pearl Brumagen	5,011.44 Commerce
Bessie F. Milward	*97,797	Security Trust	2,228.81 Security
Marie G. Smith	7,425	Henry Tucker, Jr.	77.89 Second Natl
Harry B. Miller	27,012	Harry B. Miller, Jr.	
Sterling D. Martin	76,557	Pauline C. Martin, Cortland Martin, Co-exec	5154.83 Union
Jesse P. Warren	*17,312	FNB	1281.03 FNB
L. L. Roberts	139,257	Neolia F. Roberts	3145.09 FNB
Edward W. Hagyard	137,161	Charles E. Hagyard	17,729.51 FNB (3)
Maye M. Walts	9,957	Lois Colley	

[1551] -

* * * * * *

Stipulation of counsel to correct transcript—Filed May 21, 1962

[Omitted in printing]

[1552]

[1553]

In the United States District Court, Eastern District of Kentucky, Lexington

[File endorsement omitted]

No. 1424

UNITED STATES OF AMERICA, PLAINTIFF

v.

FIRST NATIONAL BANK & TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY AND FIRST SECURITY NATIONAL BANK & TRUST COMPANY OF LEXINGTON, DEFENDANTS

Opinion—July 27, 1962

Invoking jurisdiction under section 4 of the Sherman Act, (15 USC § 4), the plaintiff seeks that the defendants be enjoined from carrying out an agreement of merger or consolidation, charging that the defendants are engaged in an unlawful combination, monopolization and attempt to monopolize interstate trade and commerce in violation of section 1 and section 2 of the Sherman Anti-trust Act (15 USC §§ 1 and 2), which provide as follows:

> § 1. "Every contract, combination in the form of trust or otherwise or conspiracy in restraint of trade or commerce among the several states, or with foreign nations, is declared to be illegal. * * *" (15 USC § 1).
>
> § 2 (as amended). "Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several states, or with foreign nations, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding fifty thousand dollars, or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court." (15 USC § 2, as amended).

[1554]

Section 4 of the Act provides:

> § 4. "The several district courts of the United States are invested with jurisdiction to prevent and restrain violations of sections 1–7 of this title; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations * * *." (15 USC § 4).

The defendants challenge the jurisdiction of the court claiming that the above mentioned provisions of the Sherman Act have been rendered inapplicable to bank mergers or consolidations by the provisions of the so-called Bank Merger Act of 1960, as amended (12 USC § 1828(c), as amended), which, in so far as here relevant, provides:

> "* * * No insured bank shall merge or consolidate with any other insured bank or, either directly or indirectly, acquire the assets of, or assume liability to pay any deposits made in, any other insured bank without the prior written consent (i) of the Comptroller of the Currency if the acquiring, assuming, or resulting bank is to be a national bank or a District bank, * * *. In granting or withholding consent under this subsection, the Comptroller, * * * shall consider the financial history and condition of each of the banks involved, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served, and whether or not its corporate powers are consistent with the purpose of this chapter. In the case of a merger, consolidation, acquisition of assets, or assumption of liabilities, the appropriate agency shall also take into consideration the effect of the transaction on competition (including any tendency toward monopoly),

> and shall not approve the [1555] transaction unless, after considering all of such factors, it finds the transaction to be in the public interest. In the interests of uniform standards, before acting on a merger, consolidation, acquisition of assets, or assumption of liabilities under this subsection, the agency * * * shall request a report on the competitive factors involved from the Attorney General and the other two banking agencies referred to in this subsection * * *. The Comptroller * * * shall * * * include in its annual report to the Congress a description of each merger, consolidation, acquisition of assets, or assumption of liabilities approved by it during the period covered by the report, * * *."

The recent cases of *California* v. *Federal Power Commission*, 369 U.S. 482, and *United States* v. *R.C.A.*, 358 U.S. 334, seem to compel the conclusion that by the provisions of the above quoted "Bank Merger Act", Congress did not intend to confer upon the Comptroller of the Currency power to decide antitrust issues, as such, or to supersede the provisions of the Sherman Act in any respect. Jurisdiction to pass on alleged antitrust violations remain with the Court irrespective of the action of the Comptroller of the Currency.

This conclusion is confirmed by the history of the legislation. In the Reports of the Committee of the Senate, referring to the Bank Merger Act which was passed as S. 1062, it is said:

> "S. 1062 would not affect in any way the applicability of the Sherman Act to bank mergers or consolidations." (p. 3 Senate Report).

In the House Report it is said:

> "S. 1062 would not in any way affect the applicability of the Sherman Act or the Clayton Act to bank mergers. (p. 9 of the House Report).

Upon the issues of fact presented by plaintiff's allegations in respect to violation of the Sherman law, this case was tried to the Court beginning on February 19, 1962 and continuing to and including February 27, 1962. On the testimony introduced and the exhibits and admissions filed, I find the material facts to be as follows:

[1556]

Prior to the merger or consolidation herein referred to the defendant First National Bank and Trust Company of Lexington was and for many years had been a National banking association organized under the laws of the United States, engaged in interstate commerce, with its principal place of business in Lexington, Ky. It conducted its commercial banking business through four offices, all of which were located in Fayette County, Kentucky. As of December 31, 1960, it was the largest bank in Fayette County having total assets of $65,069,000, total deposits of $58,673,000 and total net loans and discounts of $35,434,000.

The defendant Security Trust Company was a State bank duly organized under the laws of the State of Kentucky, engaged in interstate commerce, with its principal place of business in Lexington, Ky. It conducted a general commercial banking business through two offices, both of which were located in Fayette County, Ky. As of December 31, 1960, it had total assets of $21,033,000, total deposits of $17,402,000 and total net loans and discounts of $12,317,000.

The financial history and condition of both banks were excellent and both had a long record of successful operation and high standing in the community. Consolidation of neither of these banks was motivated by necessity to protect their depositors or shareholders.

Since 1957, the officials of First National Bank and Trust Company and Security Trust Company, from time to time, had under consideration the question of their consolidation. Finally in late 1960 the Board of Directors of both banks entered into an agreement of consolidation and on January 10, 1961, the agreement was approved by the shareholders of both banks. Application was duly made to the Comptroller of the Currency for his approval. In so doing, the banks complied with all statutory requirements governing the method and procedure by which consolidation might be effected and furnished to the Comptroller the information required under the Bank Merger Act.

[1557]

After receiving adverse reports submitted by the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Attorney General, on February 27, 1961, the Comptroller of the Currency approved the proposed consolidation, and authorized the consummation of the merger under the name "First Security National Bank and Trust Company of Lexington", which was duly put into effect on March 1, 1961. Later on the same day, this action was filed.

As of December 31, 1960, there were in operation in Lexington, beside the First National Bank and Trust Company and Security Trust Company, four other commercial banks, namely:

Citizens Union National Bank and Trust Company, with total assets of $27,876,000, total deposits of $24,569,000 and total net loans and discounts of $14,457,000;

Bank of Commerce, with total assets of $21,230,000, total deposits of $19,500,000 and total net loans and discounts of $12,738,000;

Central Bank and Trust Company, with total assets of $14,930,000, with total deposits of $14,144,000, and with total net loans and discounts of $7,799,000;

Second National Bank and Trust Company, with total assets of $13,240,000, total deposits of $12,157,000 and total net loans and discounts of $5,362,000.

It appears that as a result of the consolidation of First National Bank and Trust Company and Security Trust Company, the new bank, First Security National Bank and Trust Company, had 52.70 percent of the assets of all commercial banks in the county, 51.95 percent of the total deposits of all commercial banks in the county and 54.20 percent of the total loans and discounts of all commercial banks in the county.

As to its trust business, it had 79.62 percent of the trust business of all commercial banks in the county.

Before and since the consolidation herein referred to, all

the [1558] banks in Fayette County have been operated successfully in the field of commercial banking and in competition with each other.

The service area of each of the above named banks at all times herein referred to was and has been Fayette County, Ky., the place of residence of a large majority of their customers.

In the trial of the case, other than the officials and employees of the defendant, First Security National Bank and Trust Company, numerous witnesses, most of whom were men of long experience in the field of banking, testified to the effect that, in their opinion, the consolidation of the two Lexington banks herein referred to would not lessen competition in the banking field in Fayette County and did not tend to create a monopoly in that field.

According to their testimony, the fact that the merged bank had a large percentage of the trust business of the community did not and would not substantially restrain or lessen competition in the field of commercial banking.

In addition to statistical facts shown by the numerous exhibits filed, the plaintiff introduced as witnesses to sustain its contention only the presidents of three of the local banks who expressed considerable fear that the consolidation would result in serious loss to the other banks and would be disastrous to some of them. The testimony given by these witnesses seems based merely upon surmise and is lacking in factual support.

It is undisputed that in recent years Lexington has grown and expanded industrially to a remarkable extent.

No predatory act or conduct on the part of the defendants is shown by the testimony introduced at the trial or by plaintiff's exhibits. On the other hand, the consolidation herein referred to clearly appears to have been the result of a lawful program of expansion on the part of the merging banks rather than an invidious scheme to restrain competition or to secure monopoly in the local field of banking.

[1559]

Conclusions of Law

1. The court has jurisdiction of the parties and the subject matter of this action.

2. The merger of First National Bank and Trust Company and Security Trust Company does not constitute a combination in unreasonable restraint of interstate trade or commerce in the field of commercial banking and does not violate Section 1 of the Sherman Act.

3. The merger of First National Bank and Trust Company and Security Trust Company is not an unlawful combination to monopolize, or an unlawful attempt to monopolize, interstate trade or commerce in the field of commercial banking in violation of Section 2 of the Sherman Act.

4. For the reasons indicated, judgment should be entered for the defendants dismissing the complaint.

(S) H. CHURCH FORD, *Judge*.

JULY 27, 1962.

ROBERT F. KENNEDY,
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[1560]

In the United States District Court, Eastern District of Kentucky, Lexington

[File endorsement omitted]

Order No. 1424

UNITED STATES OF AMERICA, PLAINTIFF

v.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY, AND FIRST SECURITY NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, DEFENDANTS

* * * * *

Judgment—July 30, 1962

The Court having made Findings of Fact and Conclusions of Law in its opinion which has been filed herein, it is hereby ordered and adjudged that the Complaint filed herein is hereby dismissed with prejudice.

(S) H. CHURCH FORD, *Judge.*

PROOF OF SERVICE

[Omitted in printing]

[1561]

In the United States District Court, Eastern District of Kentucky

[File endorsement omitted]

Civil Action No. 1424

UNITED STATES OF AMERICA, PLAINTIFF

v.

FIRST NATIONAL BANK & TRUST COMPANY OF LEXINGTON, SECURITY TRUST COMPANY, AND FIRST SECURITY NATIONAL BANK & TRUST COMPANY OF LEXINGTON, DEFENDANTS

Notice of appeal to the Supreme Court of the United States—Filed September 14, 1962

I. Notice is hereby given that the plaintiff, United States of America, hereby appeals to the Supreme Court of the United States from the final judgment entered in this action on July 30, 1962, dismissing the complaint. This appeal is taken pursuant to 15 U.S.C. 29.

II. The clerk will please prepare a certified transcript of the record in this cause for transmission to the Clerk of the Supreme Court of the United States, and include therein the entire record before the district court, including the pleadings, the transcript of testimony, the exhibits submitted by the parties and this notice of appeal.

III. The question presented by this appeal is:

Whether the consolidation of First National Bank & Trust Company of Lexington and Security Trust Company to form First Security National Bank & Trust Company of Lexington

constitutes a combination [1562] in restraint of trade in violation of Section 1 of the Sherman Act, or a combination and an attempt to monopolize a part of trade or commerce in violation of Section 2 of the Act.

LARRY L. WILLIAMS,
MELVIN SPAETH,
Attorneys for the Plaintiff.

CERTIFICATE OF SERVICE

[Omitted in printing]

[1563]

Supreme Court of the United States

No. 590, — October Term, 1962

UNITED STATES, APPELLANT

v.

FIRST NATIONAL BANK AND TRUST COMPANY OF LEXINGTON, ET AL.

APPEAL from the United States District Court for the Eastern District of Kentucky.

Order noting probable jurisdiction—June 17, 1963

The statement of jurisdiction in this case having been submitted and considered by the Court, probable jurisdiction is noted.